



This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

Usage guidelines

Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

We also ask that you:

- + *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.
- + *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.
- + *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.
- + *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

About Google Book Search

Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at <http://books.google.com/>

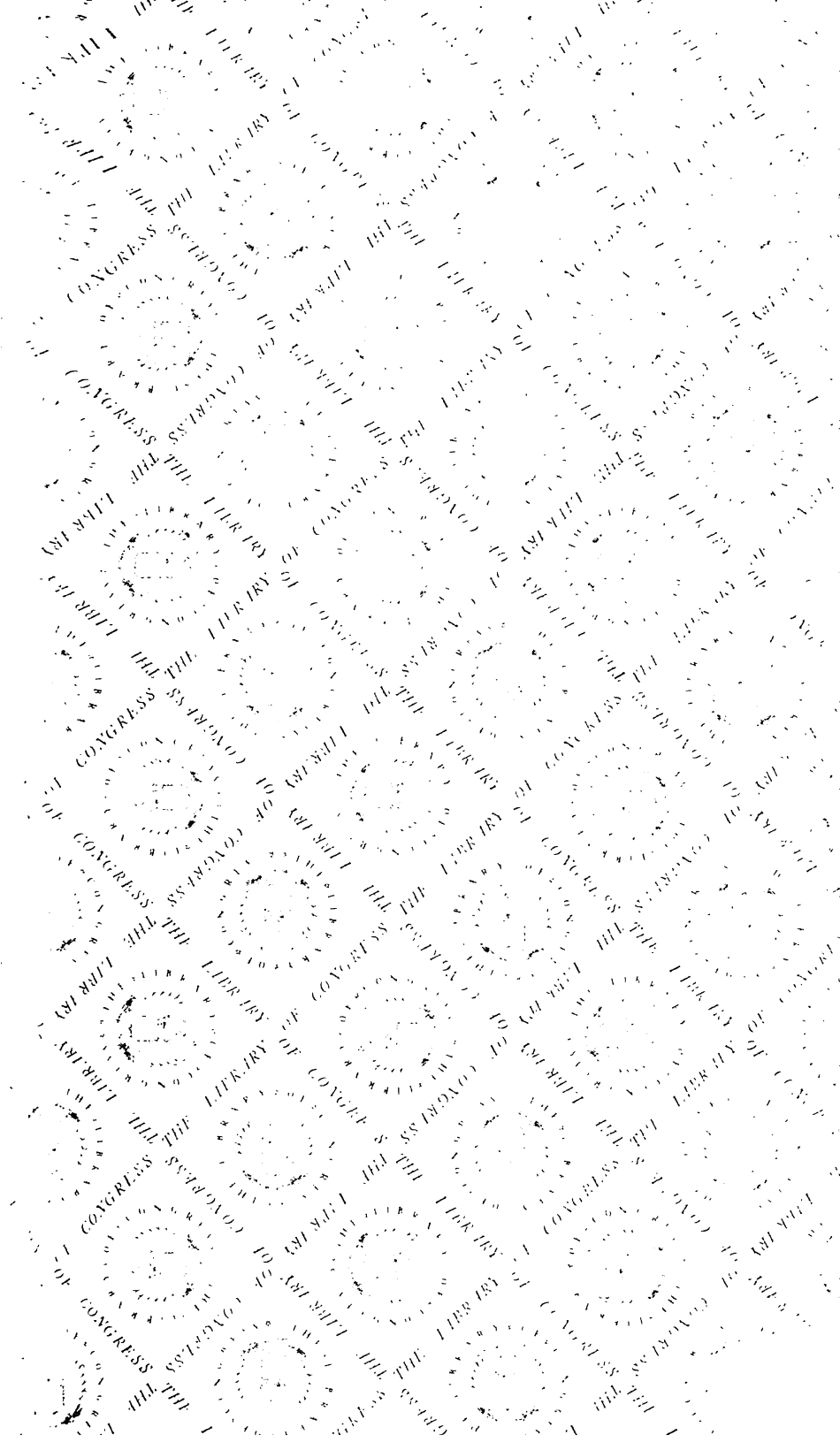
HJ

10

.B8

1906a







2-671
HEARINGS

BEFORE

U. S. SENATE.

43
SUBCOMMITTEE OF HOUSE COMMITTEE ON APPROPRIATIONS,

CONSISTING OF

**MESSRS. LITTAUER, TAWNEY, GRAFF, BRUNDIDGE,
AND LIVINGSTON,**

IN CHARGE OF

DEFICIENCY APPROPRIATIONS FOR 1906 AND PRIOR YEARS

ON

GENERAL DEFICIENCY BILL.

WASHINGTON:

GOVERNMENT PRINTING OFFICE.

1906.

788 113

HJ10
B8
1906 or

JUN 29 1906
D. of D.

CARROLL BHT

CHAS. W. BHT

GENERAL DEFICIENCY BILL.

HEARINGS CONDUCTED BY THE SUBCOMMITTEE, MESSRS. L. N. LITTAUER (CHAIRMAN), J. A. TAWNEY, J. B. GRAFF, S. BRUNDIDGE, JR., AND L. F. LIVINGSTON, OF THE COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, IN CHARGE OF DEFICIENCIES FOR THE FISCAL YEAR 1906, AND PRIOR YEARS, ON THE DAYS FOLLOWING, NAMELY:

WEDNESDAY, *June 20, 1906.*

TREASURY DEPARTMENT.

STATEMENT OF MR. GEORGE SIMMONS, CHIEF OF PRINTING AND STATIONERY DIVISION.

STATIONERY, TREASURY DEPARTMENT.

MR. LITTAUER. On page 5 of the bill before you is an estimate of a deficiency for stationery for the Treasury Department, \$6,000. This bill will not become a law until within a day or two of the end of the fiscal year. How can you spend the deficiency?

MR. SIMMONS. Well, sir, under our system in the Treasury we have to keep a stock on hand to fill requisitions from outside services, and this \$6,000 had to be taken out of that stock. Our regular \$30,000 was expended.

MR. LITTAUER. Then you will simply reduce your stock on hand if you do not get this \$6,000?

MR. SIMMONS. Yes, sir. That stock will be necessary for the next year.

MR. LITTAUER. But your appropriation for the next year will be available in a day or two after this bill is enacted. You could not expend this amount after the 30th of June.

MR. SIMMONS. We would have to spend it in replenishing our stock that we borrowed from.

MR. LITTAUER. The deficiency is only for this year. How, then, can you spend it after the 30th of June?

MR. SIMMONS. We have to keep a stock on hand of from \$20,000 to \$25,000, to be able to fill the stock up.

MR. LITTAUER. This bill will practically become a law on the 28th or 29th day of June. You want this \$6,000 to carry you to the 30th day of June. How can you spend this \$6,000 if we should allow it here? It will lapse on the 30th day of June.

MR. LIVINGSTON. You can not spend it after that.

MR. SIMMONS. No; but we have incurred—

MR. LITTAUER. You have gone ahead and bought this stationery and provided for it, just as though you had the money?

Mr. SIMMONS. Yes, sir.

Mr. LITTAUER. Under whose direction did you do that?

Mr. SIMMONS. Under this reimbursement system we have to do that. For instance, we spend \$20,000 for customs. That comes out of the customs appropriation.

Mr. LITTAUER. That has nothing to do with this item.

Mr. LIVINGSTON. If you needed this paper for your use, that would be another thing, but this is stock on hand. It would be just as well to buy it six months from now as it would be to buy it now. You do not have to keep on hand any certain number of pounds of paper?

Mr. SIMMONS. Oh, yes, we do.

Mr. LIVINGSTON. Where is the law that requires it?

Mr. SIMMONS. It is required according to our system, which is not a good one. I am trying to get away from it. We have to keep a stock on hand to supply the different services, Customs, Life-Saving, Revenue-cutter, outside the Department proper.

Mr. LITTAUER. So far as the stationery goes for these services, do you not supply them and are immediately reimbursed? Is not a month's time enough to go on?

Mr. SIMMONS. No, sir; it sometimes takes three or four months, because the Auditor requires a receipt for the goods. We have to ship out to the Pacific coast and other distant places.

Mr. LITTAUER. While it remains here as stock on hand, waiting to be drawn upon, is it paid for out of an original appropriation?

Mr. SIMMONS. Yes. That is our stock in trade, and out of that we have to keep this stock replenished from time to time, and get reimbursed for it.

Mr. LITTAUER. Have you gone ahead and expended this amount of money? You say it has cost you so much every month. Have you gone ahead and expended this \$6,000—incurred liability for it?

Mr. SIMMONS. Under the present law we had to make allotments. We made allotments for what we thought we would need for these outside services as well as for the inside—the Treasury proper—and the whole expenditure was about \$100,000, and in order to get at some allotment we had to fix upon some sum or average amount that had been used in previous years.

Mr. LITTAUER. Suppose you got this appropriation on the 28th day of June; would it be paid out of the Treasury on the 30th day of June? Have you incurred liabilities already that the vouchers would have to be paid immediately, including this \$6,000, in addition to your annual appropriation?

Mr. SIMMONS. No, sir; I think not; it would have to come out of our stock.

Mr. LITTAUER. How has that stock been paid for?

Mr. SIMMONS. It has been paid for from time to time as we ordered supplies.

Mr. LITTAUER. You can get the amount you sell or send away? You can get reimbursed for it in part?

Mr. GRAFF. He says he has drawn some money from the customs.

Mr. LITTAUER. He can do that only after he has furnished stationery to them.

Mr. LIVINGSTON. You mean to keep up an average stock, and you have drawn some of it out, you say?

Mr. SIMMONS. Yes, sir.

Mr. LIVINGSTON. You can not refund it out of this appropriation, because the law will run against you on the 30th day of June. Why do you not let it alone and make it good out of the new bill which is to take effect on the 1st of July?

Mr. SIMMONS. We could do that, but the stock——

Mr. LIVINGSTON. How much stock have you?

Mr. SIMMONS. Twenty or twenty-five thousand dollars' worth. We will take account of it the 1st of next month.

Mr. BRUNDIDGE. If you do not know how much stock you have, you do not know whether you will need this or not. You do not know whether you are short or long?

Mr. SIMMONS. Not until we take stock. When we take stock we will probably find we are that much short.

Mr. BRUNDIDGE. I do not understand that he says they have contracted any deficit or bills or incurred any penalty.

Mr. LITTAUER. No; I do not understand so.

REVENUE-CUTTER SERVICE.

STORES DESTROYED AT SAN FRANCISCO, CAL.

STATEMENT OF CAPT. WORTH G. ROSS, CHIEF OF DIVISION OF REVENUE-CUTTER SERVICE.

Mr. LITTAUER. Captain, you have an item here for reimbursement for stores, clothing, and other articles destroyed at San Francisco, "said articles being at the time in store on shore, required for the fiscal year 1906." How did you find out what you had there?

Captain ROSS. We found out that we had that by telegraphing to our officer in charge of the store. The articles lost in the general store amounted to \$18,115. Then there were also condenser coils on the *McCulloch*, value then unknown. The condenser coils were machines we had sent out there, and they had arrived and were destroyed on the *McCulloch*, previous to being stored. Then we lost eighty dollars' worth of potatoes belonging to rations. The condenser coils were estimated at \$426.75, and the provisions—the potatoes destroyed—amounted to \$80.85. Those three items foot up \$18,622.60. Immediately after this estimate had been made and submitted to your committee we received an itemized statement of every single article that we lost out there; and this itemized statement, which was gotten up with a great deal of care after the trouble was over, comes to \$260.19 less than we estimated for. In other words, what we have lost out there absolutely in our store is \$18,362.41.

Mr. LITTAUER. That storehouse was practically wiped out, and its contents wiped out?

Captain ROSS. Yes, sir.

Mr. LITTAUER. We have now reached the end of this fiscal year, 1906, and your appropriation for 1907 will begin on the 1st of July. What is the necessity of reappropriating this? In what way will the service be hampered without it?

Captain ROSS. I will tell you the exact situation. These articles are purchased in order to supply our vessels. Now, because we have not had that store up to this time, since the fire, we have not been

able to give our vessels what they actually needed out there on account of the fact that our appropriation is just sufficient this year to run the service, and next year we will have to reestablish that store, and of course, in order to supply our vessels with what they actually need and what we have not given them on account of these things being burned up, we will have to go into our next year's appropriation to this extent, or to a large extent, stronger than we would have done had these things not been burned up.

Mr. LITTAUER. You have got from year to year a little surplus that you keep in these stores, necessary items, and this cleans out your store?

Captain Ross. Yes. They were articles that we can use on board ship. Sometimes we store these things on board ship, for repairs, and afterwards we put them on other ships.

Mr. LITTAUER. Sometimes they become antiquated and are sold?

Captain Ross. Yes; and they are sold.

Mr. LITTAUER. The whole question here is that you have got your appropriation for 1907, which will be at your fingers' ends in a few days, for your use. Can you not get along without this \$18,000? What would you spend it for? You would not spend it for exactly those same items, would you?

Captain Ross. There is no question that we can get along without some of them. We have to get along with what you give us. But as I said before, we are not able really to give our ships what they need out there on account of this being burned up, and we will have to restore that.

Mr. LITTAUER. To replace in part what has been burned up?

Captain Ross. Yes.

Mr. LITTAUER. But if you had an appropriation, say, of \$10,000, instead of this amount, would it not be enough? There is practically some old stock.

Captain Ross. It would take \$15,000 to start that store properly. We will not reestablish the store until about the 1st of July, and it will require about \$15,000 in order to reestablish that store properly.

Mr. LIVINGSTON. How could that benefit you in this calendar year?

Captain Ross. This year, of course, does not affect us.

Mr. LIVINGSTON. You can not go backward and furnish ships that have all gone off.

Captain Ross. I know; but there are things like paint, painting ships and things of that sort, that we have neglected, and we will have to make up for it in the future.

Mr. LIVINGSTON. But you will have a new appropriation to furnish the money for those purposes. Are you going to double up on the appropriation for 1907? Is that your idea?

Captain Ross. By the loss of these articles it is like taking this money out of the appropriation for 1907—not all of it, you understand—

Mr. LIVINGSTON. But if you can not use it in 1906, you can not use it at all.

Mr. GRAFF. The way this is drawn makes it available during the next fiscal year.

Captain Ross. We have asked you to make this available for next year. I shall be perfectly satisfied, in view of the fact that we did

have a number of articles in store there which were somewhat antiquated, with \$15,000. I think that would supply us.

Mr. LITTAUER. Any merchant who has a lot of stuff burned that is stored up does not go immediately and put in all that has been burned up, but he puts things in as he needs them. The service out there probably does not require that all this stuff be replaced.

Mr. LIVINGSTON. Does not the new appropriation enable you to start that with \$15,000?

Captain Ross. We can start it with \$15,000, but without it I say it will be a great disadvantage to us. We might have to buy things twice over. In our store a good many things go over from the latter part of June to the first of July, next year, things that have accumulated there, and I think it would be perfectly fair for us to have \$15,000 to start that store, in view of the fact that those things were burned up without any neglect on our part. I have an itemized list of every single article here.

Mr. LITTAUER. The total you have stated there reaches practically the same amount?

Captain Ross. Yes, sir.

PUBLIC BUILDINGS ON PACIFIC COAST.

STATEMENT OF MR. J. K. TAYLOR, SUPERVISING ARCHITECT.

Mr. LITTAUER. We are back again to the subject of public buildings on the Pacific coast. When we left that subject last it was with a view to permit you to get as near as possible some of the exact requirements and estimates for providing for them. Now tell us what you have got.

Mr. TAYLOR. We sent them to you. We sent you copies of specifications from there of what we proposed to do for the repair of all those buildings—San Jose, Oakland, San Francisco; post-office, branch mint, appraisers' stores, and subtreasury.

Mr. GRAFF. And Oakland. Does that include Oakland?

Mr. TAYLOR. Yes; and Oakland.

SAN FRANCISCO, CAL.—POST-OFFICE AND COURT-HOUSE.

Mr. LITTAUER. The first item is for court-house and post-office at San Francisco, Cal.

Mr. LIVINGSTON. How is that going to cost \$448,000?

Mr. TAYLOR. I will show you.

Mr. LIVINGSTON. That is enough, almost, to build it over again. What are you talking about?

Mr. TAYLOR. Oh, no; that is about 25 per cent.

Mr. LIVINGSTON. The work has not stopped a day?

Mr. TAYLOR. Oh, no; they are occupying the building, but it is a wreck in certain ways.

Mr. LIVINGSTON. You mean it has been defaced and made to look ugly?

Mr. LITTAUER. Mr. Taylor has transmitted to us the items to make up this \$448,000. The largest amount is for taking down the walls and

resetting, and so forth, and then contingencies of about 10 per cent, or nearly that, and marble work, \$50,000. How did you reach these figures?

Mr. TAYLOR. These figures were made by the man who has had charge of the building right straight through the construction of it. He has made a careful examination of the building, and made up his estimates from practically the current or union market rates for original specification.

The CHAIRMAN. In transmitting them to you, so that your office could revise them, were any fuller data given than just this statement which you have transmitted to us?

Mr. TAYLOR. Yes; he transmitted a specification for the work.

Mr. LITTAUER. A complete specification?

Mr. TAYLOR. No; a preliminary specification.

Mr. LITTAUER. This work will not be done by contract?

Mr. TAYLOR. Yes; I think it will be. We expect to do it by contract later. Here is the specification, for instance: The first set is a proposal for the repairs to the United States post-office and custom-house, San Francisco, and he gives the regular proposal form. Then he goes right straight through and gives the numbers of the drawings from which this work is to be taken—the general conditions, such as we have in all our specifications. I will just read one little item that will give you the way it is proposed to do it.

Mr. LITTAUER. Your intention is not to elaborate on the present building, but to place it back into the condition it was in?

Mr. TAYLOR. If any change is made we will simplify it from what we had before. There are certain things that we can make much simpler that will be a great deal better, and while it is estimated to cost this much money, that simplification which I hope to bring about in some instances may reduce that cost a little. Still I do not know whether it will or not.

Mr. LITTAUER. Was this post-office building a very ornate building?

Mr. TAYLOR. Very.

Mr. LITTAUER. One of the most elaborate of the Government buildings?

Mr. TAYLOR. Probably the most elaborate of the Government buildings to-day, with the exception of the Congressional Library; hence the large element of damage. I do not know whether you had some of these photographs or not, but I understood they were sent up here, and these [submitting photographs] will show you, gentlemen, what it is proposed to do. You see what has happened to that. Here [indicating] is where the fire struck the building. That will all have to be taken out.

Mr. LITTAUER. This is earthquake damage, and that is fire?

Mr. TAYLOR. Yes; here [indicating] is the fire damage, and the earthquake damage is down there [indicating]. The entire terrace will have to be rebuilt. It is in waves now.

Mr. LITTAUER. What was the original cost of the building?

Mr. TAYLOR. About \$2,400,000, exclusive of the land.

Mr. LITTAUER. I have no doubt it is the intention of Congress to replace these buildings in a very serviceable and proper condition, but not to add any elaboration or go into very great nicety of work that would require anything more than to make them safe and proper for the business to be conducted there.

Mr. TAYLOR. In other words, to make them habitable?

Mr. LITTAUER. Yes.

Mr. TAYLOR. In regard to that, as I said before, that is a very elaborate building—extremely so—more elaborate than I ever in the future would build for a piece of Government work of that type; yet having got that in there, in replacing it it is cheaper to replace it and make the repairs of the same character as was destroyed by the earthquake rather than to take out all the interior finish and put plainer finish into it. That is the reason why that is carried out in that way.

SAN FRANCISCO, CAL.—MINT.

Mr. LITTAUER. That is true so far as regards the post-office. Here is the amount for the mint. You want \$65,000?

Mr. TAYLOR. Yes, sir. There are two sides to that building that were entirely scaled off by the fire. The fire was only about 20 to 30 feet away on either side, and out of that \$65,000, \$40,000 is for repairing the stone facing to the building, granite coping, and curbing—that is, to replace the two sides where the whole facing is practically off—split off by the heat.

Mr. GRAFF. What was it—marble or granite?

Mr. TAYLOR. Yes.

Mr. LITTAUER. Are you going to replace it?

Mr. TAYLOR. We will drill out the stones that are badly split and replace them from time to time.

Mr. LITTAUER. Can you not reface them?

Mr. TAYLOR. Not without getting over the straight line. We have to keep within the Government line.

Mr. LITTAUER. Can you not cut off the face?

Mr. TAYLOR. We are going to replace it. We are going to cut it out with a pneumatic tool—drill out each stone and put a half stone in its place—cut it out 3 or 4 inches and put a new face stone to take its place.

Mr. LITTAUER. What specification have you got on this largest item of that expense?

Mr. TAYLOR. To repair the damage to the stone facing of the building, including the face of the coping and curbing, to be renewed and repaired to match the other stone work which is in place, is \$40,000. That is only a preliminary specification.

Mr. LITTAUER. What is your estimate based upon?

Mr. TAYLOR. We had to do this same work once before because the stone went to pieces in that building a few years ago.

Mr. LITTAUER. How did it go to pieces?

Mr. TAYLOR. From the effects of the climate. It was Victoria stone, from Vancouver, and it disintegrated from the effects of the weather. We took it out and replaced it.

Mr. LITTAUER. When was this building built?

Mr. TAYLOR. Back in 1858 or 1859. There is the building [submitting photograph].

Mr. GRAFF. Did you replace it with the same kind of stone?

Mr. TAYLOR. No, sir. We used Utah stone instead of Vancouver.

Mr. LITTAUER. Did you take off the entire outside of the building and replace it?

Mr. TAYLOR. No, sir; we took patches out of it and replaced them.

Mr. LITTAUER. Where is this building damaged now?

Mr. TAYLOR. Those two sides [indicating on photograph]. The photographs were sent up by Secretary Shaw, and we did not know they had gone. It is the corresponding two sides to this, and back on the other side.

Mr. LITTAUER. In your office here, when you receive an item like this, how do you consider it? Do you take it up and consider whether such an item is reasonable or not?

Mr. TAYLOR. So far as we can, we do; but in this case we have no data. We have sent no man out there from the office who has the knowledge of just what it necessary to be done there.

Mr. LITTAUER. Suppose this appropriation were in your hands and you were to proceed to work?

Mr. TAYLOR. We would send a man out there to go over the matter with our superintendent of construction, who is there, who knows the building thoroughly, and he would get the fullest data in regard to it, and then we would make such changes in our drawings as we would deem wise to put in—for instance, this simplification I spoke of—and then we would make a regular specification.

Mr. LITTAUER. Those drawings would be made here?

Mr. TAYLOR. Yes, sir.

Mr. LITTAUER. And those specifications would go out there, to see if the work could be let out by contract or otherwise?

Mr. TAYLOR. We would give it out by contract, either in one contract or in a number.

Mr. LITTAUER. You could not tell to-day whether \$60,000 was necessary, or \$75,000, or \$50,000, except the judgment of the man out there?

Mr. TAYLOR. I would gamble or bank on the fact that if he said \$65,000 was needed he would have to have that much to spend.

Mr. LITTAUER. This gambling proposition is a horrible one.

Mr. TAYLOR. That is so, but that is one of the chances I would take.

SAN FRANCISCO, CAL.—SUBTREASURY.

Mr. LITTAUER. Leaving that item, we now come to the subtreasury.

Mr. TAYLOR. The subtreasury is on a different basis, Mr. Littauer. This photograph [producing same] shows where these chimneys have got to come down.

Mr. LITTAUER. They seem to be rather a poor investment in that country.

Mr. TAYLOR. I do not think we will ever put the chimneys up again. We will put a draft on the boilers and get rid of the chimneys.

Mr. LITTAUER. What do you design to do with the subtreasury?

Mr. TAYLOR. On the repair question?

Mr. LITTAUER. Yes. This subtreasury is now a building of some stories in height?

Mr. TAYLOR. It was.

Mr. LITTAUER. The original proposition brought before us was that you would take down the walls to the second story, put a temporary roof on, and put temporary fittings in the inside, to make it habitable until the time this building could be transferred to the custom-house people. Do these estimates contemplate such work?

Mr. TAYLOR. That \$30,000 estimate contemplates just that work.

Mr. LITTAUER. We had an idea this ought to be done for about \$15,000. Is there any part of this in your estimate that could be carried out in a simpler fashion?

Mr. TAYLOR. I do not think you could simplify it in the slightest degree. You have to take down the 4-story walls, remove the debris, replace the vault doors, and build new floors and new ceilings for that entire space—60 by 60—and when you get through with that you won't have very much of your \$30,000 left. We figured that carefully ourselves in the office.

Mr. LITTAUER. You could put up a building for temporary use for \$30,000?

Mr. TAYLOR. Yes; you are practically putting up a building for \$30,000 now.

Mr. GRAFF. Have you to put in a new roof?

Mr. TAYLOR. The whole thing is new. Everything is gone in that building. It is entirely down.

Mr. LITTAUER. Except the walls?

Mr. TAYLOR. The end walls have gone, but the front wall is still alive.

Mr. LITTAUER. Practically, you have got nothing of value except the foundation?

Mr. TAYLOR. Yes; the foundation and the first-story walls. Those are the only things that are of value.

Mr. LITTAUER. Have you gone over these estimates in your office with a view to determine that this is simply to put in a habitable place for temporary use?

Mr. TAYLOR. Yes, sir. With regard to the subtreasury, we have gone into that carefully. Of course, in the repairs to the post-office, we could not go over it because we could not know the damage. But in regard to this, it is straight figuring on work with nothing to start with. Our estimate is higher than Mr. Roberts's.

Mr. LITTAUER. Here is an electric elevator to be installed in the basement of the first floor. What is the necessity for that?

Mr. TAYLOR. It is to carry coin from the basement up to the first floor. Their big coin vaults are down in the basement. It is an electric lift. It is not an elevator. It is merely a lift to carry the heavy coin from one floor to the other.

SAN FRANCISCO, CAL.—APPRAISER'S WAREHOUSE.

Mr. LITTAUER. Now, we will go on to the next one—appraiser's stores. What happened there?

Mr. TAYLOR. Not much of anything happened there. All we have got to do there is to point up the chimneys and smokestacks and roof, repair the windows and replace broken window lights and skylights, and replace the fastenings and put in new locks and doors, and also copper the gutters, and so on.

Mr. LITTAUER. Is this an independent building?

Mr. TAYLOR. Yes; an independent building.

Mr. LITTAUER. Situated where, from these other buildings?

Mr. TAYLOR. They are all within a couple of blocks of the subtreasury, and on the other half of the block of the new custom-house.

Mr. LITTAUER. What is the necessity of this auxiliary water supply?

Mr. TAYLOR. The whole water supply was thrown entirely out by the earthquake in that building. The whole thing went dry.

Mr. LITTAUER. Why do you not get your water from the city system?

Mr. TAYLOR. We can not get it.

Mr. LITTAUER. You can not get it?

Mr. TAYLOR. The whole system of piping in the building is thrown out; the tankage, and so forth.

Mr. LITTAUER. You say here, "For restoration of the water supply system, deep well and tank," and so forth.

Mr. TAYLOR. The deep well, we believe, is what saved the mint. We would have had no mint if it had not been for the deep well. Now, we believe in putting in another one. This has gone to pieces from the effects of the earthquake. In the appraiser's warehouse, the old one, we expect to put in a new one to supply them, just for that sort of purpose. That will supply eventually the new custom-house, too.

Mr. LITTAUER. This water supply here?

Mr. TAYLOR. Yes.

Mr. LITTAUER. Is this pump or well of sufficient capacity?

Mr. TAYLOR. It will be.

Mr. LITTAUER. You can dig it and complete it and equip it all for \$5,000?

Mr. TAYLOR. That is what they tell us out there, and our engineers say it ought to be done.

Mr. LITTAUER. Then you have not designed a water supply for your new custom-house at all?

Mr. TAYLOR. We have designed to have the piping carried to it.

Mr. LITTAUER. You do not propose any well or auxiliary water supply?

Mr. TAYLOR. No; and there will be no heating apparatus in that building.

Mr. LITTAUER. Where is the heating apparatus to come from?

Mr. TAYLOR. In this building. It is to be put in under the clause you allowed to be put in in the sundry civil bill, to put it in the appraiser's warehouse instead of in the new building.

OAKLAND, CAL.

Mr. LITTAUER. Then at Oakland, what happened there?

Mr. TAYLOR. The front of the building, the cornice, and the material over the front door was completely split down and had to be entirely taken down, and about a third of the cornice had to be removed; and a considerable amount of cracked plaster and broken marble work resulted from that cornice coming down.

Mr. LITTAUER. How much did that post-office at Oakland originally cost?

Mr. TAYLOR. About \$225,000.

SAN JOSE, CAL.

Mr. LITTAUER. Now, we come to the last item, San Jose. There you want \$34,000. How elaborate a building was that?

Mr. TAYLOR. That was a two-story building, with a tower.

Mr. LITTAUER. How much did it cost?

Mr. TAYLOR. I think the original building cost about \$165,000.

Mr. LITTAUER. In view of your experience, ought you not to stop building towers on your buildings out there?

Mr. TAYLOR. Yes, I expect to. Since I have been in charge of the office we have not built a building with a tower out there. This was built long years ago.

Mr. LITTAUER. Why would not this cost be considerably reduced if the tower were not to be rebuilt?

Mr. TAYLOR. It is not to be rebuilt.

Mr. LITTAUER. The estimate says, "Taking down and rebuilding," etc.

Mr. TAYLOR. The rebuilding referred to is simply rebuilding the building. We do not propose to carry it up in the air. We will put a flat roof on it where it remains solid.

Mr. LITTAUER. What do you mean by a "deck floor?"

Mr. TAYLOR. You have got me there. I do not know what it is. It must be the proposal that he was just speaking of.

Mr. LITTAUER. It says "deck floor to be of steel, covered with metal." Then the language indicates that the tower is to be reconstructed on similar lines to the one formerly in place. It seems to me this contemplates the entire rebuilding of that tower.

Mr. LIVINGSTON. Somebody has just been rebuilding some ships and had that term "redecking" in his head.

Mr. TAYLOR. Originally the tower went up to the main ridge line. Then there was an octagonal lantern on top of that. That was carried away with the shock. We do not propose to restore that. We propose only to carry the tower up to the line of the ridge, where the stonework is solid, and put a deck on it. That will be used by the Weather Bureau for the Weather Bureau instruments.

Mr. LITTAUER. You must recognize that these estimates are a little bit indefinite now?

Mr. TAYLOR. They are as definite as we could make them.

Mr. LITTAUER. Until you get out your complete specifications and get your bids thereunder?

Mr. TAYLOR. Yes.

Mr. LITTAUER. I trust your specifications will be so gotten up that you will not come back to us for any money for a deficiency.

Mr. TAYLOR. I think, if anything, Mr. Littauer, we will turn back some money into the Treasury.

Mr. LIVINGSTON. Can you not give us a guarantee that there will not be any more earthquakes?

Mr. TAYLOR. No, I am not guaranteeing anything in that line, although the Japanese say there will not be any more earthquakes there for centuries to come. This Japanese professor, reputed to be the greatest expert on earthquakes in the world, says there will not probably be any more earthquakes in San Francisco. Just how he found it out I have not heard.

DISTRICT OF COLUMBIA.

STATEMENTS OF MR. HENRY L. WEST AND COL. JOHN BIDDLE,
COMMISSIONERS.

RENT OF OFFICES OF CORPORATION COUNSEL.

Mr. LITTAUER. Mr. Commissioner, you ask for a deficiency for rent of offices of corporation counsel from November 1, 1905, to June 30, 1906, \$800. Under what authority were those offices rented?

Mr. WEST. Those offices have not been rented; the money has not been paid. We discovered within the past few months that the entire corps, that is the corporation counsel and his assistants, were paying rent out of their own pockets for offices in which the District business was being conducted. That did not seem to be fair, inasmuch as the Department of Insurance and other branches of the District government holding offices outside of our building had their rent paid by the Government. We presented that matter to the subcommittee on the District of Columbia appropriation bill, and asked that for next year an amount of \$1,000—

Mr. LITTAUER. How many years has this been going on?

Mr. WEST. Practically from the very inception of the corporation counsel's office, and these men have paid this rent out of their own salary, of which fact I was absolutely in ignorance until a few months ago, and it has been provided for next year.

Mr. LITTAUER. What do they do in this office besides the work in connection with the business of the corporation counsel for the District?

Mr. WEST. These men practically have no private practice at all; they do not use these offices for private work, to the best of my knowledge and belief.

Mr. LITTAUER. Does anybody else use them?

Mr. WEST. Mr. Thomas, the corporation counsel, has his own private office in another building and pays the rent out of his own pocket.

CORONER'S OFFICE.

Mr. LITTAUER. We now come to the item, "For additional amount required to meet the objects set forth in the appropriation for the coroner's office for the fiscal years that follow: For the fiscal year 1906, \$800." For that year you had an appropriation of \$2,200. What is this deficiency for?

Mr. WEST. This amount is necessary on account of the extra amount of labor imposed upon the coroner in the increased number of inquests, and to pay witnesses and jurors, and costs of performing autopsies.

Mr. LITTAUER. Is this compensation statutory; is it declared by law for each case?

Mr. WEST. Yes, sir; that is, the fees of jurors, and pay of witnesses, and for performing autopsies.

Mr. GRAFF. There are two items, one for 1906 and one for 1905.

Mr. WEST. The one for 1905 is to cover expenses incurred during that year. We asked for an appropriation at that time and did not get it.

Mr. LITTAUER. Is that the amount exactly incurred; is that what you owe?

Mr. WEST. Absolutely, to a cent.

Mr. LITTAUER. How can you tell what you are going to need so that you can put in an estimate of \$800?

Mr. WEST. We have made as conservative an estimate as we could, and as low as possibly can be.

Mr. LITTAUER. Why should you not come in for a regular deficiency next year, as you have for 1905? Have you exhausted the \$2,200?

Mr. WEST. Yes, sir.

Mr. LITTAUER. Have you incurred any liability?

Mr. WEST. I understand that we have increasing liability. The appropriation was expended on the 1st of March. Wherever a case has arisen where we require an autopsy, we have had to pledge the good faith of the District government to pay the witnesses and jurors for the service they performed in connection with the autopsy; and we come now to you for this amount rather than postpone it for another year.

Mr. LITTAUER. You must use, however, more than \$300, and you may use \$1,300?

Mr. WEST. As near as we can calculate, Mr. Chairman, \$800 is the exact amount.

Mr. LITTAUER. You can not pay out any more than is required for this service; and the amount to be paid for each service, as I understand it, is settled by law.

Mr. WEST. By law; yes, sir.

WASHINGTON AQUEDUCT.

Mr. LITTAUER. The next item is on page 26, Washington Aqueduct: Engineering, maintenance, and general repairs: For 15 tons of coal, ordered, used, and not heretofore paid for, being for the fiscal year 1898, \$54. This coal you had and accepted without its having been accepted. Why was not this sued for?

Mr. WEST. May I explain that the Washington Aqueduct is not under the authority of the District Commissioners at all. We pay part of the expense, but the aqueduct is under the control of the engineers of the War Department.

Mr. LITTAUER. Then you know nothing about that?

Mr. WEST. Absolutely nothing.

FIRE DEPARTMENT—FORAGE.

Mr. LITTAUER. The next item is fire department; for additional amount required for forage, \$1,000. You had \$18,000 for 1906, and you want \$1,000 more.

Mr. WEST. We have had a very careful estimate made as to this. Before this was finally submitted to this committee, I had the chief of the fire department size up all of the forage in the bins.

Mr. LITTAUER. What was this for; to piece out the year? Suppose this does not become available until the 30th of June?

Mr. WEST. We will have to pay the bills incurred; we will have to feed the fire horses.

Mr. LITTAUER. You can not pay for that out of this appropriation;

you will have to come for another deficiency next year unless the vouchers for this are paid before the 30th of June.

Mr. WEST. Well, it is for the current fiscal year.

Mr. LITTAUER. Of course, but it will not do you any good.

Mr. WEST. Of that I was ignorant, I must admit.

Mr. LITTAUER. Your appropriations all lapse on the 30th of June. Have you incurred any indebtedness beyond \$18,000?

Mr. WEST. Absolutely; the appropriation is now practically exhausted, and it will take this amount of money—or it was practically exhausted at the time we submitted this estimate, and it will take this amount of money to buy forage to feed the horses. The appropriation for the next year has been largely increased in the District of Columbia appropriation bill owing to the increased price of forage.

Mr. LITTAUER. Have you any right to go ahead and incur obligations for forage in excess of the appropriation?

Mr. WEST. It is a necessity that makes that obligation.

Mr. LITTAUER. I did not know whether there was a statutory right or not.

Mr. WEST. There is a statutory provision which allows in cases of emergency.

Mr. LITTAUER. Then that will be all right.

Mr. WEST. Yes; for the feeding of the fire-department horses in cases of emergency.

HEALTH DEPARTMENT.

Mr. LITTAUER. Health department; for additional amount required for necessary traveling expenses of sanitary and food inspectors while traveling outside the District of Columbia for the purpose of inspecting dairy farms, milk and other dairy products, \$100. You are allowed \$1,200 for that for 1906.

Mr. WEST. Under the law, before a dairyman outside of the District of Columbia can sell his milk in the District an inspector from the health department must go to his farm, see his cows, see his springs and wells, and all that sort of thing; and we have now quite a number of applications from dairymen in Virginia and Maryland asking that this inspection be made, but we haven't the money.

Mr. LITTAUER. You can not use this sum or anything beyond the \$1,200 in the appropriation for the current year until you get a further appropriation.

Mr. WEST. That is true.

Mr. LITTAUER. If this appropriation was allowed on the last day of the fiscal year you could not expend it.

Mr. WEST. That is true.

Mr. LITTAUER. Then this ought to go out.

Mr. WEST. I guess that is true. In fact, I think we have \$16.75 remaining of the appropriation. These figures were prepared some weeks ago.

ISOLATING WARDS FOR MINOR CONTAGIOUS DISEASES AT GARFIELD HOSPITAL.

Mr. LITTAUER. For additional amount required for isolating wards for minor contagious diseases at the Garfield Hospital, \$1,200. Do you know anything about that?

Mr. WEST. I do not.

Mr. LITTAUER. Do you have any supervision at all over the expenditure? It comes under your health department?

Mr. WEST. It is under the health department.

Mr. LIVINGSTON. This would be in the same condition as the appropriation for the milk inspection, it could not be paid anyhow between now and the 1st of July.

Mr. LITTAUER. Yes; so we had better take this out. You have no note in regard to it, have you?

Mr. WEST. No, I have not.

POLICE COURT—COMPENSATION OF JURORS.

Mr. LITTAUER. For additional amount required for compensation of jurors, \$2,000. Is that expense already incurred in part?

Mr. WEST. Yes, sir; in part, the appropriation having been exhausted and every cent having been expended in conformity with law.

Mr. LITTAUER. So the District continues to owe the jurors who did not hold due bills.

Mr. WEST. Yes, sir.

Mr. LITTAUER. Just explain to us how this work requires such an amount of money. You asked for \$8,000 and received it, and you want now 25 per cent more.

Mr. WEST. I have nothing to explain. Mr. Chairman, excepting that every citizen before the police court has a right under the law to demand a jury trial and does demand a jury trial. The cost of impaneling the jury and the jurors' fees has to be paid. It is a matter that we can not estimate accurately for, nor can we curtail the right which any citizen has to ask for a jury trial.

Mr. LITTAUER. I suppose you are not encouraging that right.

Mr. WEST. It is a matter that I do not see how we can foresee or prevent. This money goes into the pockets of the jurors only; it does not go for salaries or anything of that kind.

Mr. BRUNDIDGE. In case the party is convicted is he taxed any of this cost?

Mr. WEST. No, sir.

Mr. LITTAUER. How can we explain this to the House; this amount has been going on at the rate of \$8,000 for ten years and suddenly it grows 25 per cent.

Mr. WEST. There is no other explanation to make excepting that the number of jury trial cases has increased to the extent where we are employing more jurors in the police court than ever before. I find here a note from the Auditor stating that in 1903 and 1904, when Congress was not in session at this late period of the year, we were authorized by the Treasury Department to use the emergency fund to pay jurors in the police court in order that the wheels of justice might not be stopped. That is one reason why we have not asked for a deficiency before.

Mr. LITTAUER. When was the \$8,000 exhausted?

Mr. WEST. We had on the 1st day of April remaining in that fund \$942. A careful estimate of the three months April, May, and June as compared with the same months in the previous years shows that at least \$3,000 will be required to pay jurors. So we asked for a deficiency of \$2,000, which will make altogether \$2,942 available for what we estimate at least \$3,000 will be needed.

REPAIRS TO POLICE COURT BUILDING.

Mr. LITTAUER. For amount required for repairs to rented building temporarily occupied as a police court, \$600.

Mr. WEST. We will ask to have that stricken out, if you please.

Mr. LITTAUER. That the balance of the appropriation of \$600 for repairs of police court building provided in the District of Columbia appropriation act for the fiscal year ending June 30, 1905, approved April 27, 1904, is hereby made available for expenditure for repairs to the rented building temporarily occupied as a police court.

Mr. WEST. We would like to have that stay in.

Mr. LITTAUER. Do you mean to say that you have a balance?

Colonel BIDDLE. Yes, sir; they moved from the old police court to the rented building, and they have not expended the total fund.

Mr. LITTAUER. Has that fund been covered in because of lapse of time?

Colonel BIDDLE. It will not be covered in before the 30th of June, anyhow.

Mr. LITTAUER. What are the conditions in the lease for this building? Was not the owner to keep it in repair?

Colonel BIDDLE. Up to a certain amount.

Mr. LITTAUER. How many years have you been in this building?

Colonel BIDDLE. We went in there last fall. It was a very old building and a great amount of money was spent on it, \$1,200 being spent to put it in shape. It is in fair shape now, but the police court judges would like to have it in better shape.

Mr. LITTAUER. How long do you expect to use it; until they get into the new building?

Colonel BIDDLE. Yes.

Mr. LITTAUER. Well, I think they can get along.

SUPPORT OF CONVICTS.

Mr. LITTAUER. The next item is for support of convicts: For support, maintenance, and transportation of convicts transferred from the District of Columbia, \$500.

Mr. WEST. That comes under the Department of Justice, the Commissioners have nothing to do with that, although we share the expense.

WASHINGTON ASYLUM.

Mr. LITTAUER. The next item on page 29, is for the Washington Asylum: For additional amount required to meet the objects set forth in the appropriation for contingent expenses, \$1,000. What about that?

Mr. WEST. The appropriation for the maintenance of the Washington Asylum would have been sufficient excepting for the fact that during the winter for quite a long period there was an epidemic of small-pox in the United States jail, and thereupon the judges committed to the workhouse people who would ordinarily have gone to the jail, increasing the population down there to 50 persons a day. This additional amount is caused by the expense of maintaining, clothing, and feeding this additional population, which we did not anticipate. We will need \$1,000 to carry them to the end of this month. Otherwise the appropriation would have been ample.

Mr. LITTAUER. Now, again, is your appropriation exhausted, or is this anticipated amount what you will need to carry you through the year?

Mr. WEST. This is an anticipated amount to meet the bills incurred during this month.

BOARD OF CHILDREN'S GUARDIANS.

Mr. LITTAUER. For additional amount required for board and care of all children committed to the guardianship of this board by the courts of the District for the fiscal year 1905, \$825.56, with authority to pay said amount to institutions adjudged to be under sectarian control. Evidently the law does not permit you to send such children to institutions adjudged to be under sectarian control, so why do you ask for this deficiency?

Mr. WEST. May I just read the note that I have here, because this matter comes within Mr. Macfarland's jurisdiction, and he had an engagement this afternoon and could not be here?

Mr. LITTAUER. Certainly.

Mr. WEST (reads):

Board of Children's Guardians, District of Columbia:

Feeble-minded children, fiscal year 1905 \$331. 37

This item is submitted at the request of the Board of Children's Guardians, under whose direction and through whose disbursing officer expenditures from appropriations for the Board of Children's Guardians are made. The amount of the item is asked to pay the Pennsylvania Training School for Feeble-Minded Children the balance due for the care of such children admitted upon the order of the board. The appropriation for the care of feeble-minded children for the fiscal year 1905 was \$12,000, all of which has been expended.

Board and care of children, fiscal year 1905, with authority to pay to sectarian institutions (\$825.56) \$494. 19

In his letter to the Commissioners requesting the inclusion in the deficiency estimates of an item for above purpose and amount, the president of the Board of Children's Guardians reported the sum of \$825.56 as the sum required, which amount was included in the estimates as submitted. It now appears that the said amount was named in error, the amount which should have been asked, and the correct amount, being \$494.19. This latter sum is needed to pay certain sectarian institutions the full amounts which the contracts of the board with said institutions, on a per capita basis, called for. The appropriation for the care of children committed to the guardianship of the board for the fiscal year 1905 limited the amount payable therefrom to institutions adjudged to be under sectarian control to \$1,000. There remains an unexpended balance of the appropriation for 1905 more than sufficient to pay the said institutions, but by reason of the limitation aforesaid the said balance could not be resorted to.

Mr. LITTAUER. In other words, they had no right to send children to these sectarian institutions beyond the amount appropriated; it was contrary to law.

Mr. WEST. I have read the note which is all the answer that I can make.

Mr. LIVINGSTON. Under whose control are they; under yours?

Mr. WEST. No, sir.

Mr. LIVINGSTON. Not under the District of Columbia?

Mr. WEST. No, sir.

Mr. LIVINGSTON. Whose control are they under?

Mr. WEST. The Board of Children's Guardians is a separate board appointed by the supreme court of the District of Columbia, and occupies an entirely distinct relation and position with respect to the Commissioners. These children are committed to the Board by the

court. The Commissioners do not pick out children to give to the control of this Board, but the court does. The court appoints the Board; and the Commissioners have nothing to do with the matter except merely to stand sponsor for such estimates as they may make to Congress.

Mr. LIVINGSTON. Who corrects such violations of law as this; where do you go for the correction; to the courts?

Mr. WEST. I should think so. I will look into that question, Colonel, with a great deal of pleasure.

Mr. LIVINGSTON. If it is your province to do it, you ought to give them notice to stop it.

Mr. WEST. I agree with you on that.

Mr. GRAFF. It seems that they have a sufficient amount on hand to pay this bill, but not sufficient authorized to pay institutions which are under sectarian control.

Mr. WEST. That is exactly the point.

Mr. GRAFF. This proposition here is for an additional amount?

Mr. WEST. Yes.

Mr. GRAFF. When, as a matter of fact, they have a surplus, but the trouble is that the surplus comes under another fund.

Mr. WEST. Yes.

Mr. LITTAUER. I much prefer to make straight appropriations rather than transfer funds; but here they evidently exceeded their authority in sending children to institutions under sectarian control beyond the amount appropriated.

REIMBURSEMENT OF SHORTAGES IN ACCOUNTS—WATSON DEFALCATION.

Mr. LITTAUER. The next item, on page 32, is for what is known as the Watson defalcation. How many years has that been up?

Mr. WEST. The Watson defalcation occurred in the summer—or the fall—the discovery of the defalcation occurred in the early fall of 1903. I had been Commissioner about a month when the shortage was discovered, and it had been going for four years previously.

Mr. LITTAUER. These were permit deposits made at various times by citizens of the District. Have any of the citizens been reimbursed?

Mr. WEST. No. I will explain why no trouble has yet arisen. This fund constantly piles up at the top, the deposits from citizens, but we take it out from the bottom, so to speak, to pay back, or to pay out for the work that it done, and consequently it is like a bank; there is always a very large deposit there which is available as working capital, but if we should be called upon to close that account to-day, we could not do it.

Mr. LITTAUER. There would be a deficit, and this is to make up that deficit.

Mr. WEST. Yes, sir.

Mr. BRUNDIDGE. Will anything be recoverable?

Mr. WEST. We have sued on his bond the former auditor, in whose office this defalcation occurred. His counsel demurred to our bill, and the District was allowed by the court to file an amended declaration. That amended declaration is now being prepared in the corporation counsel's office, but has not yet been filed.

Mr. GRAFF. So that it is possible that this amount may be recovered?

Mr. WEST. It would be possible if judgment was rendered for the

District, although the auditor himself has no money; he is a poor man, and an absolutely honest man. As regards this particular case, he was unquestionably imposed upon by a scoundrel and never shared in the slightest in the result.

INDUSTRIAL HOME SCHOOL—REIMBURSEMENT OF V. BALDWIN JOHNSON.

Mr. LITTAUER. On page 33 there is an item for the reimbursement to V. Baldwin Johnson of the sum of \$21.94 for fuel furnished the Industrial Home School without inspection. How can coal be used without inspection?

Mr. WEST. The Industrial Home School is an institution for small boys and girls out on the Tennallytown road. An order was received by Mr. Johnson to send coal to some school, and they thought it was for the Industrial Home School. The coal went out there and was dumped. The superintendent of the school thought the coal was due, that he needed some coal, and he used it. It was sent there by mistake; still, at the same time, the coal was not inspected by our inspector.

Mr. LITTAUER. Whose mistake was it, Mr. Johnson's or his agent's?

Mr. WEST. I don't know exactly whose mistake it was, but we used the coal, and if the superintendent had thought about it probably he could have had that coal hauled away to be inspected or could have sent for the inspector; but he simply used it and thought it was all right.

Mr. LITTAUER. And Mr. Johnson is the man who wants this money. The question is whether Johnson had a right to send it there.

Mr. WEST. The coal was to have gone to the Cathedral School, on the same road, about a mile north of the Industrial Home School, but we were particeps criminis in using the coal after it was dumped there.

Mr. GRAFF. The Cathedral School is not under the District control.

Mr. WEST. No; not at all. There is no question but that we used the coal, and that \$21.94 is the amount.

Mr. LIVINGSTON. If you had not used this coal you would have had to use some other?

Mr. WEST. Oh, yes.

Mr. LITTAUER. The Government had the benefit of the coal?

Mr. WEST. Yes; and I would like to say that we paid for this coal at the contract price and not the price for which they sold it to private consumers.

RECORDING TAX SALES.

EXECUTIVE OFFICE,
COMMISSIONERS OF THE DISTRICT OF COLUMBIA,
Washington, June 21, 1906.

Hon. LUCIUS N. LITTAUER,

*Chairman Subcommittee on Deficiency Appropriations,
House of Representatives.*

DEAR MR. LITTAUER: I beg to inclose herewith copy of a provision which should be inserted in the deficiency bill and which I failed to bring to your attention yesterday.

The District government owes the recorder of deeds the amount named in the proposed amendment, and as long as this debt remains

outstanding the recorder is unable to square his books. As you will observe, this proposed legislation does not make an appropriation, but simply directs the recorder of deeds to cancel the outstanding indebtedness against the District. I hope that this clause may be inserted.

Very truly, yours,

HENRY L. WEST.

Draft of proposed legislation to be inserted in the deficiency appropriation bill now pending in Congress.

That the recorder of deeds of the District of Columbia be, and he is hereby, authorized and directed to cancel upon the books of his office the charge of one thousand three hundred and twenty-one dollars and twenty-eight cents for recording instruments for said District prior to July first, nineteen hundred and two; and hereafter the said recorder of deeds shall record all deeds, conveyances, plats, and other instruments on behalf of the District of Columbia without charge, except for recording tax sales, for which the collector of taxes of said District shall collect from the purchasers at tax sales the sum of ten cents for each lot or piece of property sold, the amount so collected to be deposited by said collector in the Treasury of the United States to the credit of a permanent appropriation account to be denominated "Recording tax sales, District of Columbia," from which payments to the recorder of deeds for amounts due for recording such tax sales at the rate of ten cents for each lot or piece of property recorded shall be made in the manner now provided by law with respect to payments from District of Columbia appropriations.

WAR DEPARTMENT.

STATEMENT OF BRIG. GEN. ALEXANDER MACKENZIE, CHIEF OF ENGINEERS, U. S. ARMY.

CALIFORNIA DÉBRIS COMMISSION AND ENGINEER DEPARTMENT.

Mr. LITTAUER. You have an estimate here for expenses of the California Débris Commission, and for furniture, stationery, instruments, and so forth, \$5,000.

General MACKENZIE. That results from the fact that the building in which their offices were located was absolutely destroyed, with every deed, their furniture, their instruments, and their records of every description.

Mr. LITTAUER. The main item that we have here, General, is the one at the bottom of page 41, for replacing property of the Engineer Department in the United States engineer office at San Francisco, in the office of the division engineer of the Pacific division, and in the office of the Board of Engineers for the Pacific coast, and for replacing property lost by Companies C and D, First Battalion of Engineers, for the fiscal year 1906, and to remain available during the fiscal year 1907, \$3,367.64.

General MACKENZIE. That is the same as the previous item.

Mr. LITTAUER. Please explain to us carefully how the amount of the loss has been ascertained and whether all of it is necessary.

General MACKENZIE. The estimate is based upon an estimate furnished us by Colonel Heuer, the district engineer and division engineer, and I can give you the items of which it is made up. Of course, we have nothing more in detail than is given in his report. As I say, we had three offices there, two engineering offices in the Flood Building, and everything was wiped out. His estimate of the office furniture

and fittings was \$1,147.50; drafting-room furniture and instruments, \$432.50; engineer instruments, \$715; miscellaneous tools, tide gauges, camp utensils, and so forth, \$288. In the office of the division engineer there is a total of \$218 for furniture. For the Board of Engineers for the Pacific coast, \$284; and the loss in engineering equipment of troops—the two companies of troops at Fort Mason—was \$282.34.

Mr. LITTAUER. By engineering equipment you mean tools.

General MACKENZIE. Yes, sir. I have the list of those tools. They were lost in their work in the city during the fire, and were composed principally of axes, adzes, etc.

Mr. LITTAUER. Then it would be for furniture and tools.

General MACKENZIE. Yes, sir.

Mr. LITTAUER. Have you estimated for the temporary offices?

General MACKENZIE. Yes, sir.

Mr. LITTAUER. Will they need the full amount of furniture that has been lost?

General MACKENZIE. Those offices were very economically furnished before, as economically as any I know of in the country, and I am simply accepting their statements that all of these items will be important.

Mr. LITTAUER. Why could you not really take such amounts as this out of the ordinary current funds?

General MACKENZIE. We can in this, but we were called upon to present this estimate. Of course it can be taken out of the future appropriations.

Mr. LITTAUER. By making it available for the year 1907, which means that none of it could be expended until then, because you would not get this appropriation before June 30, and then you would have your next year's allowances.

General MACKENZIE. If it was not used until the 1st of July, of course I am free to say that we can take it out of the then current appropriation. There is another item for fortifications, \$5,000.

Mr. LITTAUER. In other words, damage to fortifications extraordinary, and you haven't a sufficient sum in your ordinary allowances to take care of it. There you have asked for \$5,000.

General MACKENZIE. Yes; the California Débris Commission is the other item. That item is a little more important than the other because the only money that that Commission has is \$15,000 a year, and their losses figure up to about \$20,000. We struck out our losses, the maps, drawings, and title papers, and things of that kind. The only thing we have asked for is \$5,000, which will replace their office furniture and such things, and will enable them to make some surveys and obtain—

Mr. LITTAUER. Let me ask you, is this Commission as active as ever?

General MACKENZIE. Yes, sir.

Mr. LITTAUER. Is the work essential?

General MACKENZIE. Oh, I think so, it is adjudged to be. They consider it quite important in California.

Mr. LITTAUER. Then you feel that the entire \$5,000 is actually necessary.

General MACKENZIE. I think it is in this case.

Mr. LITTAUER. We thought that perhaps it could be scaled down a certain amount.

General MACKENZIE. They have a large number of instruments with which to do survey work, and Captain Hart's estimate is \$3,000

for the furniture and instruments, photographic outfits, and so forth. Of course, in regard to the matter of deeds and title papers, those are all lost, and they must replace them in some way.

MILITARY ESTABLISHMENT.

MILEAGE OF OFFICERS.

STATEMENT OF BRIG. GEN. FRANCIS S. DODGE, PAYMASTER-GENERAL U. S. ARMY.

Mr. LITTAUER. General Dodge, we allowed you a deficiency in the urgent deficiency bill of \$50,000, and you ask for an additional deficiency of \$50,000, for mileage to officers and contract surgeons when authorized by law.

General DODGE. I don't think we will need quite \$50,000, but you gave \$100,000 in the deficiency bill, and that is why I asked for the \$100,000 this year. However, the expenditure is running a little heavier this year than last. We have now all the funds available for mileage, with the exception of \$10,000, in the hands of the paymasters, and they will probably be exhausted before the 30th of June. There may be a little left, but we can not tell just how much. There is only \$10,000 left in the Treasury.

Mr. LITTAUER. Your accounts come in for mileage after the end of the year?

General DODGE. Yes, sir. Last year we disbursed \$41,875 after the 30th of June.

Mr. LITTAUER. Has there been any change in regulations in reference to officers' mileage?

General DODGE. Not affecting disbursements of the present year. There have been quite a number of changes regarding the new appropriation.

Mr. TAWNEY. How about the provision in the urgent deficiency bill—

General DODGE. It is all gone with the exception of \$10,000.

Mr. TAWNEY. Under that limitation?

General DODGE. That limitation has been applied.

Mr. TAWNEY. Has it resulted in any economy?

General DODGE. I think so; it must have.

Mr. LITTAUER. Still, you will have about the same deficiency as last year?

General DODGE. About the same. Our appropriation for last year, regular and deficiency, amounted to \$500,000, and we had between \$30,000 and \$40,000 left.

Mr. TAWNEY. You have no control whatever over the expenditure of this money?

General DODGE. None whatever. I am simply a cashier.

Mr. TAWNEY. And the authority for the mileage emanates from what Department?

General DODGE. From the War Department and the different department commanders. The three things that are requisite are these: First, the order must be issued from the commencement of the journey; secondly, the specific duty to be performed must be stated in

the order; and thirdly, the order must certify that the traveling is necessary for the public service.

Mr. LIVINGSTON. Who makes that certificate?

General DODGE. The issuing officer.

Mr. LIVINGSTON. And there is the trouble—you allow everybody to issue them.

General DODGE. It is something that I can not tell—

Mr. LIVINGSTON. Oh, it is not your fault; but what is the law in regard to it; are you bound to pay A, B, C, and D what is ordered to be paid?

General DODGE. I am bound to pay if the voucher is regular and proper. No officer can issue an order for travel outside of the limits of his own command. The Secretary of War can issue an order to travel anywhere, but a division commander can only issue orders to travel inside of his division and a department commander within the limits of his own department. Travel performed under an illegal order would not be paid. If it was paid, a charge would be made against the officer making the payment.

STATEMENT OF GEN. CHARLES F. HUMPHREY, QUARTERMASTER-GENERAL, U. S. ARMY.

REPLACING MILITARY STORES—SAN FRANCISCO.

Mr. LITTAUER. For replacing military stores destroyed by earthquake and fire at San Francisco. This appropriation you desire to be available during the year 1907, or else, of course, you could not take any advantage of it.

Now, we have your estimate for the regular supplies of the Quartermaster's Department, including all objects mentioned under this head in the Army appropriation act, and we have your incidental expenses, barracks and quarters for troops, transportation of the Army and its supplies, and for clothing and camp and garrison equipage. The others practically all go on the same lines—that is, for the replacement of goods destroyed. In each one of these categories for which you ask specific amounts of deficiency, how do you reach the conclusion that such amount of property was destroyed? First, do your books enable you to tell what you had there?

General HUMPHREY. From our report.

REGULAR SUPPLIES, QUARTERMASTER'S DEPARTMENT.

Mr. LITTAUER. I thought they were all under one category. Suppose we take up the regular supplies of the Quartermaster's Department.

General HUMPHREY. These are under two heads, in House Document No. 734. It is to make good the losses of the Quartermaster's Department suffered by the fire in San Francisco. It refers to stores in stock there.

Mr. LITTAUER. How do you reach the conclusion of what you had at that time, and of what was destroyed?

General HUMPHREY. From our stock reports in the office here, in the Quartermaster-General's Office. All of their records were destroyed, but we have cut off from that about 30 per cent.

Mr. LITTAUER. Have you made a uniform deduction?

General HUMPHREY. Yes, taking into consideration that probably the stuff was old and would be condemned upon inspection.

Mr. LITTAUER. So that you have already deducted the 30 per cent?

General HUMPHREY. Yes, sir.

Mr. TAWNEY. Is that the amount with the 30 per cent reduction?

General HUMPHREY. No; it is going to be less than that; this reduction has been made since then.

Mr. LITTAUER. Then you are going to make different figures than this document shows?

INCIDENTAL EXPENSES.

General HUMPHREY. This is our list on hand: Regular supplies, \$158,883.71; under incidental expenses, \$108,477.77.

Mr. LITTAUER. That is as we have it here. Now, under barracks and quarters.

BARRACKS AND QUARTERS.

General HUMPHREY. For barracks and quarters, \$189.85. For transportation of the Army, which consists of supplies purchased from this appropriation and in depot for use, \$139,494.23. Value of supplies purchased from this appropriation en route to the Philippines, \$30,000. Army transportation supplies in storage, \$203,819.41. Army transport clothing \$32,484.96. Harbor boat supplies, \$4,816.

Mr. LITTAUER. Making a total under that of how much?

TRANSPORTATION.

General HUMPHREY. A total under transportation of \$420,607.60.

Now, clothing and equipage in stock at San Francisco, from the list on file in the office of the Quartermaster-General, \$2,243,214.01. It is believed that this item can be reduced by 30 per cent, leaving \$1,570,319.81. That is the item I spoke of.

Mr. LITTAUER. How did you reach that conclusion?

CLOTHING AND CAMP EQUIPAGE.

General HUMPHREY. From our stock report. The value of the clothing and equipage was \$2,243,314. Of course it is largely a guess, but we thought that probably 30 per cent had deteriorated.

Mr. LITTAUER. We have reached the end of this fiscal year. You have your appropriation for the next year in such sum as you believe is necessary to carry on the provisions made for that year. Is it necessary to replace these stores, and would it not give you this amount extra?

General HUMPHREY. Yes, sir.

Mr. LITTAUER. For what purpose?

General HUMPHREY. In order to take care of the Army.

Mr. LITTAUER. Have you not provision for 1907 that will take care of the Army?

General HUMPHREY. Not minus this.

Mr. LITTAUER. When your estimates were made up for what you required next year, I take it for granted that you took into consideration the stock on hand.

General HUMPHREY. Yes, sir.

Mr. LITTAUER. Isn't it largely a storage stock for emergency use?

General HUMPHREY. No.

Mr. LITTAUER. How much do you carry there from year to year-- what is the stock on hand?

General HUMPHREY. It is difficult to say regarding that. Toward the close of the year, with the money that we have held in hand for emergencies that might arise that would demand it, we put in stock for the following year, and we do that each succeeding and following year. For clothing and equipage this year I should have \$3,000,000 for the supply of the Army.

Mr. LITTAUER. And that would not be sufficient to take care of the needs of the Army unless you had this amount.

General HUMPHREY. Yes, sir; we require this amount.

Mr. LITTAUER. You have already done part of what we had in mind; you have deducted 30 per cent on the ground that that was old stock, or condemned, or not necessary; but the question in our minds was whether you could not get along without any of it.

General HUMPHREY. I do not see how.

Mr. TAWNEY. I think Mr. Littauer's idea is, that you have an appropriation carried in the Army appropriation bill for this purpose during the fiscal year 1907?

General HUMPHREY. Yes, sir.

Mr. TAWNEY. And this, had it not been destroyed, would have been in addition to what you now have and would have been a surplus stock on hand?

General HUMPHREY. At the end of this year.

Mr. TAWNEY. Had not this fire occurred you would have had this amount as a surplus over and above the amount for which you have secured an appropriation for the fiscal year 1907?

General HUMPHREY. Yes, sir.

Mr. TAWNEY. Is it necessary to carry a surplus as large as that?

General HUMPHREY. I think so.

Mr. LITTAUER. This is 50 per cent of your stock in only one depot at San Francisco?

General HUMPHREY. Yes, sir.

Mr. LITTAUER. Was there not a particular occasion for a great accumulation of stores?

General HUMPHREY. No, sir.

Mr. LITTAUER. Were you not prepared for some sort of an eventuality that might take place in China or the Philippines?

General HUMPHREY. No, sir. We have not done that for two years.

Mr. LITTAUER. We sent additional troops to the Philippines.

General HUMPHREY. Yes, sir; we took care of them in this country. It was thought at one time to put in supplies to send troops to China.

Mr. LITTAUER. So your stock on hand at San Francisco was larger than usual, or is that the normal stock of clothing and so forth?

General HUMPHREY. Yes, sir.

Mr. LITTAUER. It is practically two-thirds of the year's appropriation?

General HUMPHREY. Yes, sir; we would have no surplus at the end of the next fiscal year unless this was replaced or fairly well replaced.

Mr. LITTAUER. Is this surplus necessary? Would it not gradually accumulate in the course of a few years, so that you could get back to the \$3,000,000?

General HUMPHREY. It might, but I scarcely think it would.

Mr. LIVINGSTON. Do you not think that carrying a stock 30 per cent of which would become damaged or worthless is extravagant? Do you not think it would be better to buy from hand to mouth?

General HUMPHREY. If we had the money.

Mr. LIVINGSTON. I thought we gave it to you for 1907.

General HUMPHREY. The appropriation for 1907 is something like a million dollars less than last year for the support of the Army.

Mr. LITTAUER. Why was that?

CLOTHING AND CAMP EQUIPAGE—continued.

General HUMPHREY. Because it was thought that it was not needed. It is going to be close work to clothe the Army this year and equip them with camp and garrison equipage—very close.

Mr. LITTAUER. Did you have any balance from the year before?

General HUMPHREY. No, sir; not for three years.

Mr. LITTAUER. Were your estimates as large for the year 1907 as for the past year?

General HUMPHREY. About the same.

Mr. LITTAUER. And still they cut the estimate down from \$4,000,000 to \$3,000,000?

General HUMPHREY. Yes, sir.

Mr. LIVINGSTON. Did they make that cut in the army bill owing to the fact that you carried a surplus?

General HUMPHREY. No, sir; I should say not.

Mr. LITTAUER. The 30 per cent reduction applied to this item but did not apply to the other items of the regular supplies, incidental expenses, transportation of the Army, barracks, and so forth?

General HUMPHREY. No, sir.

Mr. LITTAUER. Why would they not under a similar theory make a reduction there?

General HUMPHREY. The allowance on transportation of the Army would not be so apt to deteriorate.

Mr. LITTAUER. How do you stand in your general stock under that item?

General HUMPHREY. That appropriation was cut this year. Last year it was cut from \$15,500,000 to \$12,000,000. This year it was cut a little more, \$250,000, and some was added for the maneuvers, instead of making a regular appropriation.

Mr. TAWNEY. Can you tell us how much reserve stock you have on hand now?

General HUMPHREY. I can tell you from the returns at my office.

Mr. TAWNEY. You have not the data here?

General HUMPHREY. No, sir.

INCIDENTAL EXPENSES—continued.

Mr. LITTAUER. What is your appropriation for incidental expenses next year?

General HUMPHREY. \$1,750,000. That is \$250,000 less than the appropriation for the current year.

Mr. LITTAUER. Have you been short in this item during the last year?

General HUMPHREY. No, sir.

Mr. LITTAUER. What would come under that head of "Incidental expenses" at San Francisco?

General HUMPHREY. That is furniture, everything of that kind—typewriters. That was all totally destroyed.

Mr. LITTAUER. That was for use wherever you directed?

General HUMPHREY. Yes, sir.

Mr. LITTAUER. Your loss was \$108,477 under "Incidental expenses." Was there not among that office furniture a lot of old stuff that could not be used?

General HUMPHREY. No, sir; it was all serviceable.

Mr. LITTAUER. More serviceable than the clothing and equipage account?

General HUMPHREY. Yes, sir. The unfortunate part was the old clothing was not burned at San Francisco; it was the new clothing in the city. The old clothing was out at the depot.

Mr. TAWNEY. Is it true there is a programme on foot to adopt an entire new uniform for the Army?

General HUMPHREY. No, sir.

Mr. TAWNEY. I saw that statement in the paper. That is not true?

General HUMPHREY. No, sir; not in the slightest degree.

BARRACKS AND QUARTERS—continued.

Mr. LITTAUER. As to the barracks and quarters for troops, where was your great loss?

General HUMPHREY. That was at the Presidio and at Fort Baker, those posts, a half dozen places.

Mr. LITTAUER. Were the buildings destroyed?

General HUMPHREY. No, sir; they were injured, and the chimneys were knocked off.

Mr. LITTAUER. How did you get this estimate?

General HUMPHREY. It comes from the division commander. We have given them \$107,000 of the appropriation for this current year to make repairs.

Mr. LITTAUER. Then this item could go out entirely?

General HUMPHREY. This is barracks and quarters stuff in the storehouse which was burned.

Mr. LITTAUER. What do you mean?

General HUMPHREY. Material, boards, etc., used in building.

Mr. TAWNEY. Destroyed by fire?

General HUMPHREY. Yes, sir. We gave them \$107,000 to make good the injuries to buildings. That was taken out of the regular allotment.

Mr. TAWNEY. This appropriation is to replace what was destroyed by fire?

General HUMPHREY. Yes, sir.

TRANSPORTATION—continued.

Mr. LITTAUER. For "transportation" you have \$430,000. The main drift of all our investigation is to ascertain whether you need these full sums and is it proper to allow them. Of course they increase your annual appropriations by just these amounts. Is it necessary to replace them to the point they were before the fire, or can not you take care of the Army with your regular annual appropriations without these deficiencies?

General HUMPHREY. I do not see how—that is, if we are to carry any stock on hand.

BARRACKS AND CLOTHING.

Mr. LITTAUER. Do you not think that if we gave you \$500,000 for barracks and clothing it would help you this year?

General HUMPHREY. It would help.

Mr. LITTAUER. It would not fill up the storehouses; but would it not enable you to take care of the Army?

General HUMPHREY. We will try it.

Mr. LITTAUER. You will know your situation better at the end of six months than now?

General HUMPHREY. More closely; yes, sir.

Mr. LITTAUER. Which of these items that we have gone over come under the statutory regulation that you have a right to exceed the amount appropriated because of the necessities of the Army—all of them?

General HUMPHREY. It would be the clothing, largely, fuel, forage, etc.

Mr. LITTAUER. To sum it all up, would the Army, and the working of the Army, in your judgment, be embarrassed in any way during the fiscal year 1907 if these appropriations were not made?

General HUMPHREY. If we carry no surplus we can get along without them.

Mr. LITTAUER. Was this the largest storage place for surplus in the United States?

General HUMPHREY. No, sir.

Mr. LITTAUER. You have such storage places in Philadelphia and elsewhere?

General HUMPHREY. In Philadelphia and Jeffersonville. This was not really surplus. They were drawing from that every month, probably a dozen times a month. Everything is allowed by requisition and the requisitions were sent there by the commanding officer of the division and they were issued on his orders. It was stuff put in there for the supply of the Army.

Mr. LITTAUER. You have to carry a big supply for the Army?

General HUMPHREY. Yes, sir.

Mr. LITTAUER. Is delay an essential item in such matters? If you did not have the property to fill a requisition at San Francisco and you would call, for instance, on Philadelphia, does the delay to get it there become a serious item?

General HUMPHREY. It would depend on the articles. For instance, with clothing, we must have that.

Mr. LITTAUER. You try to have what is necessary for four or six months?

General HUMPHREY. We do not carry a big stock of what we can buy readily in the market. Our contracts for clothing, tentage, etc., run for months and years. Anything that we can get in the market and buy within ten days or even a month after advertisement we do not carry unless we have some money at the end of the year, and then we add to the supplies at the depots.

LOSS IN SEATTLE FIRE.

Mr. TAWNEY. Did you lose any property in the Seattle fire?

General HUMPHREY. Yes, sir.

Mr. TAWNEY. Was that property to be transported to the Philippine Islands?

General HUMPHREY. There was a good deal of property to go out.

Mr. TAWNEY. Did you go right into the market and purchase that property without any delay to the vessel that was to carry it?

General HUMPHREY. Yes, sir; as a matter of fact, the vessel was largely loaded.

Mr. TAWNEY. I understand that the vessel was largely loaded with supplies for the Philippine Islands, and that you replaced the supplies destroyed by the fire in time; that there was only a day or two delay in consequence of the fire.

General HUMPHREY. Yes, sir; our loss there was \$20,000. We took no notice of that.

Mr. TAWNEY. Did that create a deficiency?

General HUMPHREY. No, sir. We simply took it from the various appropriations to which it pertained.

Mr. TAWNEY. It did not create a deficiency. You simply took it out of the appropriations without creating a deficiency?

General HUMPHREY. Yes, sir.

Mr. TAWNEY. This appropriation now would simply add to your annual appropriation for the next year; that is, it would add that much to the appropriation the next fiscal year?

General HUMPHREY. Yes, sir; it is to replace this stuff. In the estimates sent to Congress we do not show the reports in full, but only such money would be used as would be necessary to replace articles absolutely destroyed.

Mr. TAWNEY. That was a small fire at Seattle?

General HUMPHREY. Yes, sir; that was done at once. The loss altogether was about \$20,000.

HOSPITALS.

Mr. LITTAUER. "For construction and repair of hospitals at military posts," \$120,000 is recommended by the Surgeon-General to replace the damage at the general hospital, Presidio, San Francisco?

General HUMPHREY. Yes, sir.

Mr. LITTAUER. You take care of those buildings?

General HUMPHREY. Yes, sir.

Mr. LITTAUER. Have you had any estimate?

General HUMPHREY. Yes, sir. I can not tell you exactly, but I think \$75,000 was the amount of damages done to the general hospital by the earthquake.

Mr. LITTAUER. Here we have an item of \$120,000—\$45,000 for the general fund and \$75,000 for the special fund. You ask for \$45,000 for your general fund for the construction and repair of hospitals and your annual appropriation is \$390,000. The year is ended. You will not need that \$45,000?

General HUMPHREY. The work is going on now.

Mr. LITTAUER. Work authorized by law?

General HUMPHREY. Whatever money was furnished they wanted immediately.

Mr. LITTAUER. You had an annual appropriation of \$390,000. Then you come to us for a deficiency, and I take it for granted that the date was pretty early in the year. Now, the end of the year has

been reached. Have you expended more than the amount appropriated or entered into contracts for any more money?

General HUMPHREY. No, sir.

Mr. LITTAUER. Then I should think that this \$45,000 would not be needed at this date, the new fiscal year coming within a week or so?

General HUMPHREY. I would have to look that up. While I expend the money for the hospitals the responsibility largely lies with the Surgeon-General, who makes the recommendations.

Mr. LITTAUER. Here are two separate items. This \$45,000 is for an estimated deficiency under an appropriation given you for last year to carry out the objects which you had in view. The end of the year has been reached, and you can not use that money?

Major KEAN. Unless the deficiency is created——

Mr. LITTAUER. If the deficiency is created, under what authority did you create it?

Major KEAN. I do not know.

General HUMPHREY. The \$45,000 had been furnished because of the damage done to buildings.

Mr. LITTAUER. That is a separate item?

General HUMPHREY. That had been taken from the general fund by order of the Secretary of War, and we are still short of that money in some other direction.

Mr. LITTAUER. This is a separate item in a separate communication, for repairs and damages to hospitals resulting from the earthquake at San Francisco, Cal.

General HUMPHREY. We furnished that money from the general fund.

Mr. LITTAUER. Oh, I see; \$75,000 is for San Francisco and the \$45,000 is for the Army and Navy Hospital at Hot Springs, Ark.

General HUMPHREY. Forty-five thousand dollars was furnished at once to put that hospital in repair.

Mr. LITTAUER. And the \$45,000 would make that good?

General HUMPHREY. Yes, sir.

Mr. LITTAUER. What have you to say about the requirements of the additional \$75,000 for construction and repairs of the hospitals at military posts? We would like to have some estimate to show the necessity for the \$120,000 which is to take care of the two items, one of \$75,000 and one of \$45,000. What are you going to do with it?

Major KEAN. I will send you a memorandum. I do not handle that matter in the office and do not know.

General HUMPHREY. The \$45,000 is to make good the \$45,000 we have already used.

Mr. LITTAUER. At San Francisco?

General HUMPHREY. Yes, sir.

Mr. LITTAUER. What is the \$75,000 for?

General HUMPHREY. That is for general repairs.

Mr. LITTAUER. The \$45,000 was paid out of the general funds of the Army?

General HUMPHREY. Yes, sir; and we would have used it elsewhere if it had not been used at San Francisco.

Mr. LITTAUER. Elsewhere in construction and repair?

General HUMPHREY. Yes, sir.

Mr. LITTAUER. Has it made you short in consequence?

General HUMPHREY. I will look that up and see.

WAR DEPARTMENT,
Washington, June 21, 1906.

MY DEAR MR. LITTAUER: With reference to the estimates submitted by the Quartermaster-General of the appropriations necessary for the Quartermaster's Department to replace the losses incurred by the San Francisco fire, I inclose herewith a statement from the Quartermaster-General giving the amounts necessary to be appropriated under the various titles of appropriation for the Quartermaster's Department, making an aggregate of \$2,268,478.74, and also a memorandum dated June 21, 1906, showing in detail the character and value of the stores destroyed and the necessity for the deficiency appropriation in order to replace them for the use of the Army and the Militia.

The total value of the quartermaster's supplies in San Francisco at the time of the fire amounted to \$2,941,472.94, of which amount \$2,243,314.01 represented the value of clothing and equipage supplies. It is estimated that about 30 per cent of the clothing and equipage supplies, amounting in value to \$672,994.20, were saved from destruction. All other quartermaster's supplies in San Francisco, aggregating in value \$2,268,478.74, were totally destroyed and must be replaced for the use of the Army and the Militia, as the estimates for the ensuing fiscal year were made in contemplation of the fact that these supplies would be on hand for the use of the Army and the Militia at the beginning of the fiscal year.

Very respectfully,

WM. H. TAFT,
Secretary of War.

Hon. L. N. LITTAUER,
Chairman of Subcommittee on the General Deficiency Bill,
Committee on Appropriations, House of Representatives.

Quartermasters supplies lost by fire, San Francisco, April 18, 1906.

Memorandum with reference to estimates, House Doc. No. 734. Losses by the San Francisco fire.

With reference to the estimates submitted by the Quartermaster's Department the following explanation is made:

REGULAR SUPPLIES.

The lists in this office of regular supplies on hand in the Quartermaster's depot at San Francisco, all of which was destroyed, show as follows:

In storage	\$111,383.71
En route to the Philippines.....	30,000.00
Loss of forage accumulated for transportation to the Philippines.....	17,500.00
Total	\$158,883.71

INCIDENTAL EXPENSES.

Items purchased under this head and in storage at San Francisco depot	\$53,477.77
Amount estimated for the refurnishing of the offices, the office furniture, and equipment of the various divisions, department, and depot offices in the city.....	55,000.00
Total	108,477.77

BARRACKS AND QUARTERS.

Items on dock purchased from above	189.85
--	--------

ARMY TRANSPORTATION.

Consisting of supplies purchased from this appropriation on hand in depot for issue	\$159,494.23
Value of supplies purchased from this appropriation en route to the Philippines.....	30,000.00

Army transport supplies in storage	\$203,812.41
Army transport clothing	32,484.96
Harbor boats' supplies	4,816.00
Total	<u>\$430,607.60</u>
	698,158.93

CLOTHING AND EQUIPAGE.

Clothing and equipage in stock at San Francisco, list on file in office of the Quartermaster-General	\$2,243,314.01
It is believed, however, that this item can be reduced by 30 per cent, leaving	1,570,319.81
which it is believed is absolutely necessary to meet demands of the military service in the United States and the Philippine Islands.	
The supplies which were destroyed formed the working store, which was constantly being used from, and in order to safely meet the requirements of the military service should be replaced with as little delay as practicable.	
Grand total	<u>2,268,478.74</u>

C. F. HUMPHREY,
Quartermaster-General U. S. Army.

QUARTERMASTER-GENERAL'S OFFICE,
June 20, 1906.

Memorandum showing value of quartermaster supplies destroyed by fire in San Francisco, April 18, 1906, and necessity for appropriation for replacing them. Appropriations "Army transportation," "Regular supplies," and "Incidental expenses."

At the time of the occurrence of the fire in San Francisco, there were supplies and stores available for issue to the Army, purchased from the various appropriations for the support of the Army, amounting in all to \$2,941,472.94. These stores were destroyed by fire, and unless they are almost wholly replaced there will be a shortage in the coming fiscal year of an amount similar to the above figures, for the reason that all these stores and supplies were taken into consideration when the annual estimates for the supplies for the support of the Army were made and submitted to Congress at the beginning of the present session. This amount of supplies and stores purchased from the various appropriations is shown in detail as follows, with the reductions that may be permitted:

REGULAR SUPPLIES.

This item consists of supplies on hand for issue to troops on the Pacific coast and the Philippines, and includes typewriters, stationery, illuminating supplies, tableware, and kitchen utensils, ranges, and stoves, and parts for repair thereof	\$111,383.71
Stores en route to the Philippine Islands	30,000.00
Forage accumulated for shipment to Philippine Islands	17,500.00
Total regular supplies	<u>158,883.71</u>

INCIDENTAL EXPENSES.

This item includes veterinary supplies, veterinary's and farrier's tools, horse and mule shoes and horseshoe nails, office and barrack furniture, and parts for repair	\$53,477.77
Also office furniture and equipment in the depot offices and various offices of the division and department headquarters	55,000.00
Total incidental expenses	<u>108,477.77</u>

BARRACKS AND QUARTERS.

Includes items purchased from the above appropriation, consisting of whitewash brushes, window glass, and tin. Total..... \$189. 85

ARMY TRANSPORTATION.

Includes supplies on hand consisting of spare parts for wagons and vehicles of all kinds, including rolling stock (wheels, etc.), and parts for repair thereof, such as paints, nails, screws, iron, ropes, tackle, wheelwright's tools, etc. \$159, 494. 23

Value of supplies purchased from appropriation, items similar to above, en route to the Philippine Islands.... 30, 000. 00

Army transport supplies in storage. These supplies consisted of tools used on transports, blankets for bedding, canvas bunk bottoms for issue, blocks, bolts, tackle, rope, paints, oils, brushes, bunks, lanterns, burners, table linen of various descriptions, curtains, covers, bunk frames, canvas, lamps, spare parts of machinery for the transports, pumps, lead, zinc, and all classes of ship chandler's stores, wind sails, standees, stretchers, ship fittings of all varieties, tanks, towels (bath and face), dish towels, etc., ventilators, wire, brass parts, dishes and cutlery and all classes of galley fittings and furniture, mess furniture, small amount of silverware, German silver, signals, flags, bunting, and in general all classes of articles required for use on shipboard; and, as above stated, these articles were on hand in storage in San Francisco and were destroyed by fire. They were taken into consideration in making the estimate for the support of the transport service for the coming fiscal year, the appropriation for which has been made by Congress. If appropriation is not made to replace these stores, it is believed there will be a shortage. Total..... 203, 812. 41

The item of army transport clothing includes the clothing provided for the crews of the army transports, and was in storage available for issue when required. The same argument pertains regarding this item as to the preceding; that is, the supply on hand had been taken into consideration when the items for the maintenance of the army transport service were made for the coming fiscal year. Amount..... 32, 484. 96

Harbor boat supplies were also destroyed by fire, and it seems but proper that these supplies should be replaced, in order that a shortage may not ensue in the coming fiscal year. Amount..... 4, 816. 00

Total army transportation..... 430, 607. 60

CLOTHING AND EQUIPAGE.

The annual estimate of funds required for the Army for the fiscal year ending June 30, 1907, on account of "Clothing and equipage," as submitted by the Quartermaster-General to the Secretary of War called for \$4,000,000.

This estimate was prepared months before the San Francisco earthquake and fire, which occurred on April 18 last.

The act of Congress making appropriation for the support of the Army for the coming fiscal year appropriates but \$3,000,000, which, as has already been ascertained in making estimates of the supplies to be procured, will prove inadequate.

The value of the clothing and equipage supplies in stock at the San Francisco depot on April 18, 1906, according to the stock report on file in this office, amounted to \$2,243,314.01. This amount, however, it

is believed can be reduced by 30 per cent on account of some of the property in storage at the Presidio having been saved, which leaves \$1,570,319.81. This amount renders it a physical impossibility with only \$3,000,000 available to provide clothing and equipage for the Army and militia during the coming twelve months. The militia reimburses the Quartermaster's Department for all stores issued, but their requisitions come in bulk during the last six months of the fiscal year, and consequently the money is not available for contracts and purchases until the transfer on the books of the Treasury is actually made. Therefore the Quartermaster's Department can not now anticipate that money to the extent of making contracts for supplies. The stock of clothing and equipage must be accumulated by use of "clothing and equipage" appropriation, and the funds asked for are actually required in addition to the regular appropriation to clothe the Army and militia.

Total clothing and equipage.....\$1,570,319.81

Grand total 2,268,478.74

CONSTRUCTION AND REPAIR OF HOSPITALS.

This item was submitted to this Office April 25 by the Surgeon-General of the Army, stating that the damages to the general hospital on the Presidio Reservation were great and that a fair estimate of the funds required for reconstruction amounted to

75,000.00

Aggregate 2,343,428.74

C. F. HUMPHREY,

Quartermaster-General, U. S. Army.

JUNE 21, 1906.

SIGNAL OFFICE.

STATEMENT OF BRIG. GEN. JAMES ALLEN, CHIEF SIGNAL OFFICER, U. S. ARMY.

Mr. LITTAUER. What is the necessity of our appropriating the \$15,000 on page 45 of the bill before you?

General ALLEN. Those are the things absolutely burned up. We had an absolutely accurate account of everything that was lost.

Mr. LITTAUER. Is not your appropriation for the coming fiscal year quite sufficient?

General ALLEN. I hardly think so. It is very small. The entire appropriation is only \$200,000. The items we have in this bill are the \$15,000 at Seattle and \$13,000 at San Francisco. It is not a very large amount of appropriation, but it is quite a percentage of our appropriation.

Mr. LITTAUER. What sort of supplies were destroyed?

General ALLEN. Wire and instruments and things of that kind, the usual supplies.

Mr. LITTAUER. How near does the loss come to \$15,000?

General ALLEN. It is estimated accurately, within a few dollars.

Mr. LITTAUER. The loss at Seattle was \$15,000?

Mr. ALLEN. Yes, sir.

Mr. LITTAUER. Are you able to scale that down?

General ALLEN. No, sir. The material was all ready to go to Alaska.

Mr. LIVINGSTON. How much of a surplus do you carry?

General ALLEN. Absolutely no surplus. When requisitions are put in for the National Guard we can not furnish them because we have not sufficient money.

Mr. LIVINGSTON. The \$13,000 and \$15,000 would absolutely make a deficit?

General ALLEN. It would not make a deficit, because we would not spend more than we had, but we would not have sufficient money to do the work.

Mr. LIVINGSTON. Out of the \$200,000 appropriation for supplies you did not carry those amounts, \$13,000 and \$15,000, as surplus?

General ALLEN. No, sir.

Mr. LIVINGSTON. If you had that much surplus, then you would not need this appropriation?

General ALLEN. No, sir.

Mr. LITTAUER. Did you not send that material to Alaska?

General ALLEN. Part of it has gone, and we will have to send part of it out of the next appropriation if you do not give it to us now. There is one item of about \$13,000 at San Francisco that might be cut—that is, for the Pacific cable. That is for laying an entirely new cable, which may not be absolutely necessary. They said at the time that it was all ruined. I have no doubt but that we could probably get along for another year.

Mr. LITTAUER. That is the three conductor cable?

General ALLEN. Yes, sir; we had to borrow the cable from the torpedo people.

Mr. LITTAUER. How much of it will you need?

General ALLEN. If we had half I think we could get through, but we should have the amount to replace the stores at San Francisco.

Mr. LITTAUER. The full amount?

General ALLEN. Yes, sir; but we can cut off half the cable.

Mr. LITTAUER. As to the Seattle business, you had some property there ready to ship to Alaska?

General ALLEN. Yes, sir.

Mr. LITTAUER. Has it not gone forward?

General ALLEN. With whatever money we had left we immediately bought what we could, and we hope to get the rest here.

Mr. LITTAUER. Is the appropriation for 1907 larger or smaller than the appropriation for 1906?

General ALLEN. It is \$8,000 less?

OFFICE OF THE SURGEON-GENERAL.

STATEMENT OF MAJ. J. R. KEAN, ASSISTANT SURGEON-GENERAL, U. S. ARMY.

SPECIAL ESTIMATE FOR MEDICAL SUPPLIES.

Mr. LITTAUER. On page 34 of the bill before you there is the item "Special estimate of appropriation required to cover money value of medical and hospital supplies destroyed by fire in the medical supply depot, 655 Mission street, San Francisco, Cal., \$357,391.62." Please advise us of the necessity of replacing that stock.

Major KEAN. That medical depot is the base for the Philippines and there we keep the stores that are shipped to the Philippines. If there should be any sudden movement of troops to the Philippines we would outfit them, so far as the medical supplies are concerned, from that depot.

Mr. LITTAUER. At the end of the last fiscal year how large a stock of medical supplies did you have on hand at the various depots?

Major KEAN. The Dodge Commission recommended at the end of the Spanish war that we keep a two-year stock.

Mr. LITTAUER. What is your annual appropriation for medical supplies.

Major KEAN. This year \$600,000.

Mr. LITTAUER. And the Department keeps a two years' supply on hand?

Major KEAN. It tries to; yes, sir.

Mr. LITTAUER. Did you have a two years' supply on hand at San Francisco of the general things that come to that depot?

Major KEAN. It was not all there—the two years' supplies were not all there.

Mr. LITTAUER. For the requisitions that usually come through that depot?

Major KEAN. Yes, sir. That is the base for one-third of the Army the Philippines and the Pacific coast. It has a larger stock than any of the other depots.

Mr. LITTAUER. Do any of the supplies deteriorate in time?

Major KEAN. Not much. Things that deteriorate like rubber goods, we only buy in small quantities and we get them several times a year.

Mr. LITTAUER. Has the Military Committee followed the plan of the Dodge Commission of having two years' supplies on hand?

Major KEAN. Yes, sir. They have always given us the amount approved by the War Department. The cut in the appropriation has been in the War Department and not in Congress. The Department gave us a larger appropriation this year than last year, and that was especially for the purpose of increasing our reserve of field equipment, which can not be improvised. For instance, we had one brigade hospital and quite a number of regimental hospital equipments.

Mr. LITTAUER. Those have been destroyed?

Major KEAN. Yes, sir.

Mr. LITTAUER. And you feel that they must be replaced; that the necessities of the Army require that they should be replaced?

Major KEAN. In a very large measure. I think they should all be replaced.

Mr. LITTAUER. Was not your larger appropriation for 1907 given because of this loss?

Major KEAN. No, sir; it was given before the loss occurred. We have already used \$200,000 of medical supplies. We stripped the St. Louis depot and had to buy largely.

Mr. LITTAUER. In this gift fund, so to speak—the emergency fund—you shipped out there an enormous quantity of medical supplies?

Major KEAN. Yes, sir.

Mr. LITTAUER. Will not those be returned to your storehouse there, in large part?

Major KEAN. Not those shipped for relief purposes.

Mr. LITTAUER. Were they used?

Major KEAN. Yes, sir. Of course there are some articles of furniture that will be returned, but all the drugs were used.

Mr. LITTAUER. You did find use for them?

Major KEAN. We supplied every hospital in San Francisco for two months with dressings. We did not use all that we sent out there.

Mr. LITTAUER. The supplies that were not used will eventually come into your storage depot?

Major KEAN. No, sir; because they have been used.

Mr. LITTAUER. Those supplies furnished from the relief fund have been used?

Major KEAN. Actually issued. We could only judge from the estimates of the officers on the spot. Unless we are given the same appropriation we will probably have a deficiency.

Mr. LITTAUER. You ask for \$357,000. If you were given \$200,000 would not that be sufficient for your requirements for a year?

Major KEAN. That would not be sufficient.

Mr. LITTAUER. Would not that meet the proper requirements of your bureau?

Major KEAN. We would not have the amount on hand that we should keep. In order to take care of an army in time of war we should have a two years' stock, and we would be short just that much.

Mr. LIVINGSTON. If you had a year's supply and war should be declared, you would have no trouble in a country like this in buying supplies as rapidly as they were needed?

Major KEAN. That depends. I once took all the articles supplied by the medical department and put them on a table and divided them into two classes—the things used by the profession, and which could be secured in any amount, and the things that are not used by the profession and which have to be made specially and have to be kept on hand. Of the first we can get any amount and of the second we can not, and have to keep them on hand. It is an easy thing to go into the market and buy drugs, but you can not get the proper drugs. The drugs are advertised for and then often rejected because they are not pure, and it sometimes takes six months to buy a single drug, because of the continual rejection of the samples because they are not pure.

WAR DEPARTMENT,
OFFICE OF THE SURGEON-GENERAL,
Washington, June 21, 1906.

*The Chairman Committee on Appropriations,
House of Representatives, Washington, D. C.*

SIR: Referring to an interview of the 20th instant between Maj. J. R. Kean, surgeon, U. S. Army, and the committee, relative to funds necessary to repair damage to hospitals caused by earthquake in the Department of California, I have the honor to inform you that April 25, 1906, this office requested the Quartermaster-General, United States Army, to prepare a special estimate, with the least practicable delay, calling for \$75,000, for action by the honorable the Secretary of War and transmission to Congress. These funds are necessary to repair the damage caused to the United States Army general hospital at the Presidio of San Francisco, Cal.

May 4, 1906, a similar request was made in reference to \$45,000 needed to repair damage caused by earthquake to hospitals at other military posts in the Department of California, and both of the above amounts are necessary for the reason that funds to meet this emergency can not be spared from the appropriation for construction and repair of hospitals for either the present or coming fiscal year. To meet this extraordinary call a special appropriation of \$120,000 should be made for construction and repair of hospitals.

Very respectfully,

V. HAVARD,
Assistant Surgeon-General, U. S. Army, Acting Surgeon-General.

STATEMENT OF HON. WILLIAM H. TAFT, SECRETARY OF WAR.

Mr. LITTAUER. We have been going over the various items submitted to us in connection with the supplies of the Army, under the Quartermaster-General and under the Surgeon-General, destroyed in San Francisco, where there was a very large depot. The Quartermaster-General has informed us that under the heading "Clothing and camp equipage" he has practically a reduction of 30 per cent.

Secretary TAFT. I am not advised as to those matters. I assumed that we wanted as much as we had before. I did not know that he had any overstock; but these gentlemen are much better able to tell you than I am. I simply instructed them to prepare the estimates for what had been lost. I did not ask them to reduce the amounts, because I thought we needed a full restoration; but if they say so, I am willing to subscribe.

RETURN OF FUNDS TO CITIZENS OF CEBU, P. I.

Mr. LITTAUER. In reference to the funds to be returned to the citizens of Cebu, P. I., it appears that some funds, amounting to \$8,000, were taken from individuals supposed to be in active hostility against the authority of the United States, and which in the ordinary course of events have been covered into the Treasury. You advised us that the funds were wrongfully placed in the Treasury and can not now be withdrawn. Is it proper to repay them? I do not find any statement covering that essential matter, whether the individuals were or were not in active hostility against the United States.

General HUMPHREY. They were deposited to the credit of the United States.

Mr. LITTAUER. Should not the money have been deposited?

General HUMPHREY. I would not dare to say.

Mr. LITTAUER. Why is it here as a deficiency?

General HUMPHREY. I think the record has since shown that it should not have been taken, but there was at that time nothing else to do with the money.

Secretary TAFT. Have you not a full report on this subject? This is the money that Major Glenn took.

General HUMPHREY. Yes, sir; I have the report at the office.

Mr. LITTAUER. We know that the money is in the Treasury. Why should it go back?

Secretary TAFT. The question is whether Major Glenn was wrong when he took the money. It is a very indefinite recollection that I have. The thing occurred when I was in the islands. My recollection is that it was determined subsequently that those people were not insurrectos, but I think that ought to be made apparent to the committee before the committee takes any action.

General HUMPHREY. I think that is explained in the note in the estimate.

Mr. LITTAUER. I have read the note very carefully and I do not see that point.

Secretary TAFT. I will go over the papers at the Department and send you an additional letter. Major Glenn is here, at Columbus, Ohio, and, if necessary, we could have him come here and testify, but I think we have a formal report.

Mr. LIVINGSTON. If the money should not go back to the people from whom it was taken would it go to the Philippines?

Secretary TAFT. No, sir; I should not like to have a very close investigation into the issue whether funds which were really captured funds and had not been used by the Army for distribution to meet the expenses of the quasi-civil government, the civil expenses, that really ought to have gone in under the law to the Treasury of the United States, but that occurred when the principles of law had not been entirely settled, and as it went for public purposes and was appropriated to proper purposes from a moral standpoint for actual public purposes, nothing was said about it. My understanding is that property of the enemy becomes the property of the United States, and if it is money it should go into the Treasury.

SAN FRANCISCO RELIEF FUND.

Mr. LITTAUER. The appropriations for the relief of the sufferers at San Francisco amount to \$2,500,000. You will remember that some weeks ago we had under consideration a further appropriation which was then thought necessary.

Secretary TAFT. I am glad to be able to say that you gentlemen were wiser than I. I think I acquiesced, however, that you make no further appropriation until we knew more about it. My telegrams to General Greeley have resulted in a close adherence to the directions that he should not exceed in his expenditures the money that I allotted out of the funds we then had on hand. Therefore, if I am correctly advised, and where a deficiency is likely to occur I am very promptly advised of it, we do not care for any further appropriation.

Mr. LITTAUER. Then, we have nothing before us for consideration on that item?

Secretary TAFT. Is not that so, so far as your Bureau is concerned, General Humphrey?

General HUMPHREY. Yes, sir.

Secretary TAFT. The Ordnance Department makes the same report.

Mr. LITTAUER. If that is the case, have you any statement that you want to submit to us at this time showing the disposition of the \$2,500,000?

Secretary TAFT. I will furnish that statement to-morrow.

SAN FRANCISCO RELIEF FUND.

WAR DEPARTMENT,
Washington, June 21, 1906.

MY DEAR MR. LITTAUER: As requested at the hearing yesterday, I submit the following statement with reference to the condition of the fund for the relief of the sufferers from the San Francisco disaster:

Of the total amount of \$2,500,000 appropriated by Congress for this purpose the actual expenditures that have been made and an estimate of those already contracted for or necessary to be made hereafter from this appropriation aggregate as follows:

Quartermaster's Department	\$1, 546, 236. 21
Subsistence Department	286, 081. 39
Medical Department	150, 000. 00
Pay Department	25, 000. 00
Signal Corps	17, 218. 05

Making a total expenditure of..... 2, 024, 535. 65

And leaving a balance of \$475,464.35. There remains to be charged against this balance certain expenditures made by the Navy Department which are now being settled by the Auditor for the War Department, and doubtless other items of expenditure will be received from this and other sources hereafter, but it seems reasonably sure that \$400,000, and possibly more, will remain of the \$2,500,000, to be covered into the Treasury. I inclose herewith statements marked Exhibits A, B, C, D, and E, giving a more detailed account of these expenditures.

Very respectfully,

WM. H. TAFT,
Secretary of War.

Hon. L. N. LITTAUER,
Chairman of Subcommittee on the General Deficiency bill,
Committee on Appropriations, House of Representatives.

EXHIBIT A.

RELIEF FUND.

[Reference House bill 781.]

Memorandum.—Revised estimate of value of quartermaster supplies furnished in consequence of the San Francisco fire.

Quartermaster supplies shipped by governors of States (tentage and blankets) will be a total loss	\$19,948.83
Quartermaster supplies shipped from military posts (tentage), appropriation clothing and camp and garrison equipage, estimated 60 per cent loss	62,018.55
Quartermaster supplies shipped from various depots of the Quartermaster Department (tentage, blankets, bedding, cots, tent stoves), appropriation clothing, camp and garrison equipage (estimated 60 per cent loss)	543,610.92
Quartermaster supplies shipped from various points (odorless excavating wagons, sterilizers, closet and urinal troughs), appropriation army transportation (total loss)	29,118.63
Quartermaster's stores shipped by quartermaster depots (paulins and buckets), appropriation Army transportation (total loss)	25,025.00
Cost of transportation of the above, so far as known, and transportation of troops, Army transportation	519,124.28
Total	1,198,846.21
Cost of returning troops and supplies to proper stations (estimated), Army transportation	172,390.00
The depot quartermaster, San Francisco, reports his expenditures since the fire have averaged more than \$2,500 daily, and will continue to June 30, 1906, making a total of this account of	175,000.00
Grand total	1,546,236.21

All bills for transportation not yet reported.

It is estimated that the above sum, \$1,546,236.21, will cover all expenses of the Quartermaster's Department in connection with relief work, including transportation for return of troops and supplies to stations from which drawn.

Quartermaster-General's Office, June 20, 1906.

C. F. HUMPHREY,
Quartermaster-General, U. S. Army.

EXHIBIT B.

WAR DEPARTMENT,
OFFICE OF THE COMMISSARY GENERAL,
Washington, June 21, 1906.

[Memorandum for the honorable the Secretary of War.]

Statement regarding allotment for Subsistence Department from appropriation "Relief of sufferers from earthquake and conflagration on the Pacific coast."

Amount allotted to the Subsistence Department April 23, 1906.....	\$400,000.00
Placed to the credit of commissary officers to purchase supplies April 27 and May 8, 1906.....	\$265,000.00
Transferred to appropriation "Subsistence of the Army, 1906," reimbursement for stores on hand at posts, issued for relief of sufferers.....	21,081.39
Amount recommended May 18, 1906, to be returned to the appropriation as not required by Subsistence Department.....	100,000.00
Balance of subsistence allotment now in Treasury.....	13,918.61
	<u>400,000.00</u>

It is believed that the balance (\$13,918.61) now in the Treasury will be ample to cover any outstanding liabilities incurred by the Subsistence Department.

HENNY G. SHARPE,
Commissary General.

EXHIBIT C.

WAR DEPARTMENT,
OFFICE OF THE SURGEON GENERAL,
Washington, June 21, 1906.

[Memorandum for Mr. Scofield.]

Four hundred thousand dollars was in all allotted for the relief work of the Medical Department of the Army from the two Congressional appropriations for the relief of sufferers from the disaster at San Francisco. Of this amount \$150,000 was transferred to the medical supply officer at San Francisco in accordance with an estimate from the chief surgeon calling for that amount to cover all expenses for relief work. As issues from the supply depot were suddenly stopped by the division commander it is believed that this amount more than covers all expenditures for payment of personnel, emergency purchases of medical and hospital supplies, and reimbursement of the Medical Department for issues from their stock on hand; a report of expenditures has not, however, been received. The \$250,000 not transferred to San Francisco will not be needed by the Medical Department, and the honorable the Secretary of War has been so informed by this office.

V. HAVARD,
Assistant Surgeon-General, U. S. Army,
Acting Surgeon-General.

EXHIBIT D.

WAR DEPARTMENT,
OFFICE OF THE PAYMASTER GENERAL,
Washington, June 21, 1906.

The SECRETARY OF WAR.

SIR: With reference to the matter of disbursements from the allotment of funds made to the Pay Department for payment of mileage and commutation of quarters of officers for travel and duty in connection with relief work at San Francisco, I have the honor to report as follows in compliance with your instructions:

Allotted	\$25,000.00
----------------	-------------

Disbursed as shown by paymasters' accounts received in Paymaster-General's office up to date:

Mileage.....	9,024.80
Commutation of quarters	1,416.80

Probable additional disbursements:

Mileage.....	\$9,500. 00
Commutation of quarters	3,000. 00
	<hr/> 24,941. 60

The amount of \$9,024.80 here given as paid for mileage covers mainly the travel to San Francisco, and it is thought that a like amount will be expended for travel of officers returning to their respective stations. The expenditure of \$1,416.80 for commutation of quarters is less, it is believed, than half of the total expenditure for that purpose. In my opinion, the allotment of \$25,000 will not be exceeded in making the payments chargeable thereto, and there may be a small unexpended balance.

Respectfully,

F. S. DODGE,
Paymaster-General, U. S. Army.

EXHIBIT E.

WAR DEPARTMENT,
OFFICE OF THE CHIEF SIGNAL OFFICER,
Washington, June 21, 1906.

The SECRETARY OF WAR.

SIR: I have the honor to submit the following statement of the condition of the funds pertaining to the appropriation relief of sufferers from earthquake and conflagration on the Pacific coast:

Allotted for expenditure by the Signal Corps.....	\$25,000. 00
Expended by Capt. L. D. Wildman in San Francisco under direction of this office	\$6,000. 00
Orders placed by this office for supplies shipped to San Francisco	3,047. 70
Value of property sent from Signal Corps storehouses at Benicia Barracks and San Francisco, Cal., Seattle, Wash., Omaha, Nebr., and Fort Wood, N. Y.....	8,170. 35
	<hr/> 17,218. 05
Balance available.....	7,781. 95

This balance will not be required and can be turned over at any time.

Very respectfully,

JAMES ALLEN,
Brigadier-General, Chief Signal Officer of the Army.

CONTINGENT EXPENSES, WAR DEPARTMENT—TELEPHONE SERVICE.

[See also page —.]

MR. LITTAUER. I would like to ask Mr. Schofield one question in reference to the contingent expenses. We have an item here for contingent expenses for the fiscal year 1904, including all objects specified under this title of appropriations in the legislative, executive, and judicial appropriation act, \$3,180.10. How does that item come here at this time?

MR. SCHOFIELD. That was for the telephones.

MR. LITTAUER. The Department has reached a conclusion with the telephone company, as stated to us in this note, and we are led to understand that the calculation was one based upon distance, running from the Department to the central station and back again across the street?

MR. SCHOFIELD. Yes, sir.

MR. LITTAUER. Why did you reach that conclusion? What is the fairness of it?

Mr. SCHOFIELD. It was found to be the commercial method, the method applied to business men and service outside the Government. It was found to be the practice.

Mr. LITTAUER. A large customer having a plant at a certain distance from the central station and wanting an extension across the street would have to run to the station and then back across the street?

Mr. SCHOFIELD. It would depend entirely on the situation of the conduit. The matter was investigated by Mr. Oliver, Assistant Secretary of War, who is a business man, and he came to the conclusion that it was the proper thing to do and that we would have to follow the same practice as other customers.

Mr. LITTAUER. It does not seem to me that in order to go a distance of 50 feet you ought to go half a mile.

Mr. SCHOFIELD. That is what they charged us. There is one point, the amount which we finally submitted an estimate for as proper to pay was not what they wanted by a couple of thousand dollars.

Mr. LIVINGSTON. Do you pay on this roundabout circuit under the new contract?

Mr. SCHOFIELD. We are right in a period of transition. The Secretary of the Department of Commerce and Labor has a new arrangement which is very much cheaper.

Mr. LITTAUER. Can the Government be sued for this amount? Is this an adjudicated matter?

Mr. SCHOFIELD. I suppose the company could go into the Court of Claims. This is an amount which I do not believe the Government will ever get off from paying any less.

Mr. LITTAUER. Is it based on a contract or on an order given?

Mr. SCHOFIELD. There was some Congressional action, as you will remember, which fixed a great price for telephones. The Comptroller made a decision under that action, and this is based on the Comptroller's decision.

Mr. LITTAUER. This was the old practice before we got under the new contract?

Mr. SCHOFIELD. No, sir. The present claim is based on the Comptroller's decision.

Mr. LIVINGSTON. Did that grow out of any Congressional action?

Mr. SCHOFIELD. Yes, sir.

Mr. LIVINGSTON. Do you know what that is?

Mr. SCHOFIELD. I will send you a memorandum.

Mr. BRUNDIDGE. You have a new contract now?

Mr. SCHOFIELD. Yes, sir.

Secretary TAFT. On a much better basis, so Mr. Metcalf says.

Mr. SCHOFIELD. We are operating now under a different contract. The one which the Secretary refers to is one which applies to all the Departments.

Mr. BRUNDIDGE. Is that the one where we expect to pay 2 cents a message?

Mr. SCHOFIELD. I do not know just what the rate is.

SAN FRANCISCO RELIEF FUND.

Secretary TAFT. May I say one or two things more about this San Francisco relief fund?

Mr. LITTAUER. Certainly.

Secretary TAFT. This appropriation which we do not care for contains one thing which I would like very much to have you put in the bill.

Mr. LITTAUER. The appropriation for the \$500,000?

Secretary TAFT. Yes, sir. The provision on page 36, the seventh line from the bottom, by which the funds in the former appropriation of \$2,500,000 may be expended for personal services. I think I explained that to you.

Mr. LITTAUER. That is the assistance necessary to distribute supplies, and so forth?

Secretary TAFT. Yes, sir. I have no doubt that a good deal of the money has been expended by them in the medical department in the camps.

Then, I thought there was in this bill, but I am afraid not an appropriation—we had the Philippine Scouts at the St. Louis Exposition, and as was customary an officer of the Philippine Scouts and of the United States Army collected their pay, about \$1,200 or \$1,500. He disappeared and has never been found. The commanding general of the division, General Corbin, recommends that the money be repaid to them. It was a month's or six weeks' pay.

Mr. LITTAUER. That matter has gone to the Committee on Claims.

SUBSISTENCE OF THE ARMY.

STATEMENT OF BRIG. GEN. HENRY A. SHARPE, COMMISSARY-GENERAL, U. S. ARMY.

Mr. LITTAUER. You came to us originally with two items, one for \$150,000, loss in San Francisco, and one for \$538,000, or something like that. You have reduced it now to \$508,000?

General SHARPE. No, sir. The amount for the deficiency of the Army is \$508,000, and \$150,000 is for the loss at San Francisco.

Mr. LITTAUER. We will confine ourselves for the time being to the \$508,000 item. That has been reduced from \$538,000?

General SHARPE. No, sir; it is \$508,000.

Mr. LITTAUER. "For subsistence and supplies, including all objects mentioned under this head in the army appropriation act for the fiscal year 1906, \$538,632," was the original submission?

General SHARPE. Five hundred and eight thousand dollars, and \$150,000 for the loss at San Francisco.

Mr. LITTAUER. You want \$508,000 to take care of the subsistence and supplies of the Army for the current fiscal year?

General SHARPE. Yes, sir. I have a statement here which I can hand you. We estimate for \$487,600, and to cover the losses at San Francisco, \$81,014. That was cut down from \$150,000 which we had before. Then we add \$5,000 for loss of property, making a total of \$573,614. Then we expect to get \$50,000 from the Philippines, and we have a balance of 82 cents in the Treasury.

Mr. LITTAUER. For the supplies for the Army you need \$487,600, as this statement shows?

General SHARPE. We need it all.

Mr. LITTAUER. This \$50,000 is to come in?

General SHARPE. Yes, sir.

Mr. LITTAUER. And then the \$81,000 is for the loss at San Francisco and the \$5,000 is the property loss there?

General SHARPE. Yes, sir.

Mr. LITTAUER. Making a total of \$523,614?

General SHARPE. Yes, sir.

Mr. LITTAUER. The items under the head "Liabilities" are actual liabilities?

General SHARPE. Yes, sir.

Mr. LITTAUER. And all you provide for that is additional is a probable \$12,000?

General SHARPE. Yes, sir; the estimate of the officer included that \$12,000. It may not be needed.

Mr. LITTAUER. You do not ask for it?

General SHARPE. No, sir.

Mr. LITTAUER. The way I understand the matter, you ask for \$437,600 for your regular supply, and in addition thereto \$86,014 for San Francisco?

General SHARPE. That is the regular supplies. That simply provides for replacing stores that have gone out and been bought again.

Mr. LITTAUER. The stores destroyed at San Francisco have been bought and gone out again?

General SHARPE. Yes, sir; we have bought meat for the Philippines.

Mr. LITTAUER. Bought it?

General SHARPE. Yes, sir.

Mr. LITTAUER. Chargeable against this year's account?

General SHARPE. It was bought under that clause of the Revised Statutes which enables us to buy stores when we have no money.

Mr. LIVINGSTON. Then you need this money?

General SHARPE. Yes, sir; we need it to pay the bills already contracted for.

Mr. LITTAUER. How is your next year's appropriation as compared with last year's?

General SHARPE. There will be a deficiency next year.

Mr. LITTAUER. Did you not make it plain to the Military Affairs Committee that your needs were not covered by the appropriation?

General SHARPE. To the Senate Military Committee, but at the time we did not know that the estimate for reducing the cost of the ration from 23 cents to 22 cents was a mistake, and that the present appropriation would be inadequate. The estimate is made just at the commencement of the expenditures for the fiscal year, and we had the basis up to the last quarter of the fiscal year and did what we could to keep within it, and we did until the last day of the quarter. Here is a diagram [exhibiting] which shows where the prices have gone.

Mr. LITTAUER. The prices of food?

General SHARPE. Yes, sir. Our estimates for this present year's appropriation was \$6,750,000, but the appropriation was reduced to \$6,250,000. We are now simply asking for what the estimate called for.

Required by—

Liabilities.

Chief commissary and purchasing commissary, Vancouver Barracks, Wash	\$95,000
Purchasing commissary, Kansas City, Mo.....	110,000
Purchasing commissary, New York, N. Y.....	230,000
Purchasing commissary, Seattle, Wash.....	52,600

Total	487,600
-------------	---------

To cover losses of stores by earthquake and conflagration at San Francisco, Cal.....	\$81, 014
To cover losses of property by earthquake and conflagration at San Francisco, Cal.....	5, 000
Total liabilities.....	573, 614
Less probable amounts that will be turned in by officers of the Subsistence Department: Total resources.....	50, 000
Total required.....	523, 614

To meet this deficiency of \$523,614, and probably \$12,000 in addition for the needs of the purchasing commissary at Seattle, Wash., there is to-day in the Treasury Department to the credit of appropriation for the Subsistence Department the sum of 82 cents.

NAVAL ESTABLISHMENT.

STATEMENT OF MR. B. F. PETERS, CHIEF CLERK, NAVY DEPARTMENT, ACCOMPANIED BY REAR-ADMIRAL R. E. MASON, CHIEF OF BUREAU OF ORDNANCE; COL. FRANK L. DENNY, QUARTERMASTER, MARINE CORPS; LIEUT. COL. GEORGE RICHARDS, ASSISTANT PAYMASTER, MARINE CORPS, AND MR. WILLIAM M. SMITH, CHIEF CLERK, BUREAU OF YARDS AND DOCKS.

GENERAL ACCOUNT OF ADVANCES.

Mr. LITTAUER. Gentlemen, we would like you to explain to us what this means, "General account of advances," on page 49 of the bill; how this is formed, and what goes in?

Mr. PETERS. The general account of advances is an account permitted by law in order that we may advance to the pay officers of the Navy sums without charging them to the specific appropriations when they are advanced. They purchase things abroad and charge the cost to the general account of advances. When the accounts of the pay officers are received at the Auditor's Office in the Treasury Department they charge up the specific amount expended from specific appropriations and credit the general account of advances; and these are all adjustments made by the Auditor.

Mr. LITTAUER. One is a lump sum given to the paymaster, the returns of which are divided under the headings of appropriations?

Mr. PETERS. Yes, sir; and the reasons for these deficiencies are these: After two years the appropriations are deposited in the Treasury Department, and if a payment is made abroad out of the general account of advances, it is three or four or five months before it gets to the Auditor of the Navy Department. Then the accounts remain there, sometimes for a year, and we have had them remain there as high as eighteen months before they were settled, and by that time the appropriations have been returned to the Treasury, and in consequence a deficiency appropriation must be made for those sums.

Mr. LITTAUER. How does the emergency fund come to get into that general account of advances? Do you have any paymaster that receives any lump sum that he can expend for the emergency fund?

Mr. PETERS. There are some things that are paid out of the emergency fund; authorized to be paid out of it by Congress specifically; for instance, clerks in the Philippines, for which no specific appropriation was made. The accounts of those paymasters being late in coming in, and the Auditor, in settling the accounts of paymasters,

being delayed for a year or eighteen months in some cases, and the emergency fund being available only for the year for which it is appropriated, you have to have a deficiency.

Mr. LITTAUER. Your emergency fund has drafts upon it for regular specified purposes?

Mr. PETERS. Yes; for regular specified appropriations authorized in the law, as you will see.

Mr. LITTAUER. How do you account for there being items here in this category for the year 1904, the appropriation for which year is not yet covered back into the Treasury?

Mr. LIVINGSTON. The first item there is for the fiscal year 1902.

Mr. TAWNEY. The balance was covered in.

Mr. LITTAUER. On page 54 the sixth item is "For contingent, Bureau of Medicine and Surgery, 1902, \$7."

Mr. PETERS. I suppose that was a belated bill that had not been presented. I could not tell you that specifically.

Mr. LITTAUER. The money would be still available if you have not covered in the balance.

Mr. TAWNEY. It was covered in in September, 1905, and remains available until July 1 or June 30.

Mr. LITTAUER. Then it is still available.

Mr. PETERS. There must have been a deficiency in that appropriation.

Mr. BRUNDIDGE. If there was, was it not known last year?

Mr. PETERS. It seems not.

CONTINGENT, ORDNANCE BUREAU.

Mr. LITTAUER (reads).

To supply a deficiency in the appropriation, "Contingent, Bureau of Ordnance," for the fiscal year ending June 30, 1905, in order to effect adjustment of "General account of advances," and to cover any bills that may be outstanding, as well as future charges on account of unadjusted freight claims, \$40,000.

Such a study as we could make of this leads us to conclude that this general account of advances is a very handy thing to have there. What rules cover it?

Mr. PETERS. The law covers it.

Mr. LITTAUER. How, then, can these items be in there as advances?

Mr. PETERS. Ordnance and ordnance stores—here is the chief of the Bureau of Ordnance; perhaps he can explain that to you specifically.

Mr. LITTAUER. Why do you refer this item to supply a deficiency in the contingent appropriation for the Bureau of Ordnance, 1905, as an item in order to effect an adjustment of the general account of advances? What do you mean by adjustment of general account of advances?

Admiral MASON. I have no knowledge of that particular item. It probably came from the Bureau of Supplies and Accounts.

Mr. TAWNEY. Who made that up?

Admiral MASON. Oh, we were looking at the wrong page. That account is for a deficiency in the appropriation, "Contingent, ordnance," for that year, for the payment of freight. In the next year's appropriation the charge of all freight coming under the Bureau of

Ordnance was made from another appropriation under the Bureau of Supplies and Accounts.

Mr. LITTAUER. What connection does it have with the general account of advances? Are these advances made through the Bureau of Ordnance for freight?

Admiral MASON. The adjustment of all accounts is made by the Bureau of Supplies and Accounts, and as to the general account of advances the Bureau of Supplies and Accounts, in settling the bills, as I understand it, paid them out of that fund because there was no money available under the appropriation of "Contingent, ordnance." That is, there was a deficiency.

Mr. LITTAUER. Then you are throwing all the funds together? If you have a deficiency in "Contingent, ordnance," you go to some other fund?

Admiral MASON. So far as I know, the Bureau of Ordnance has nothing to do with the settlement of accounts. The Bureau of Supplies and Accounts handles them all.

Mr. LITTAUER. Can you, Mr. Peters, explain that in any way?

Mr. PETERS. I can only make this explanation of it, Mr. Littauer: In this year Congress enacted a law placing the entire cost of freight under the Bureau of Supplies and Accounts. Prior to that it had been paid by the—

Admiral MASON. By the Bureau of Ordnance.

Mr. PETERS. Under "Contingent, ordnance." When the Auditor came to adjust the general account of advances there was no money in "Ordnance and ordnance stores" to which he could adjust it at that time, and now they are asking for a deficiency to make it up.

If there is a deficiency in any appropriation, and an expenditure has been paid by a paymaster and he has charged that to the general account of advances, the appropriation having been exhausted, there would be a deficiency, and he could not charge it to any specific appropriation because there was a deficiency. Now, there is a deficiency in this appropriation, and he wants to have the general account of advances credited with the amount that it was charged with, which should have been charged to "Contingent, ordnance."

Mr. LITTAUER. The general account of advances is a sort of clearing house for everything?

Mr. PETERS. Yes, sir. It takes in the entire appropriations for the Navy.

Admiral MASON. In this particular case there was a deficiency in that appropriation for "Contingent, ordnance," of \$40,000, and there was no other money to pay for it. I take it that the Bureau of Supplies and Accounts took it out of the general account of advances.

Mr. LITTAUER. Do you recommend these various items, beginning at the bottom of page 49, as deficiencies, emergency fund, pay of the Navy, miscellaneous, and then the Marine Corps?

Mr. TAWNEY. Who is the man in the Department who made up these estimates?

Mr. PETERS. These estimates were made up by the Auditor of the Treasury for the Navy Department. He sends in all these deficiency estimates that are charged to the general account of advances. It is because the appropriations to which they are chargeable have been expended.

Mr. TAWNEY. He is an officer of the Treasury Department?

Mr. PETERS. Yes, sir.

Mr. TAWNEY. Is there no officer of the Navy Department who makes up these estimates for the Navy Department?

Mr. PETERS. Not these estimates. They go through the bills to show that the items on books are correct; and there being no money to the credit of that appropriation, they must ask for a deficiency to pay for it.

Mr. TAWNEY. It is the Auditor of the Treasury Department who is asking for this deficiency and not the Navy Department?

Mr. PETERS. Yes; on bills that have been passed by the Auditor.

Mr. TAWNEY. And that have been paid?

Mr. PETERS. Yes; by paymasters.

Mr. TAWNEY. Out of what fund?

Mr. PETERS. Out of the general account of advances. The general account of advances is a fictitious account.

Mr. TAWNEY. Are all the expenditures out of this general account of advances expended abroad?

Mr. PETERS. No, sir.

Mr. TAWNEY. Do you need any account of that kind for expenditures here in the United States?

Mr. PETERS. Take, for instance, a paymaster at New York; he disburses a very great deal of money. He has to his credit, general account of advances, I should say, \$200,000 all the time. Now, when a bill is passed by a chief of bureau or by the Secretary of the Navy and is sent to the Paymaster-General for payment, he sends it to the pay officer, and instead of waiting until they find out just exactly what appropriation this should go to, he takes from his general account of advances on hand and he pays it out of that. When he sends it to the Auditor the Auditor credits the general account of advances, and the general account of advances is merely a fund from which they can draw for a temporary purpose to adjust and pay bills, and it facilitates the payment of them.

Mr. TAWNEY. Until they can find out the appropriations they are to be paid out of?

Mr. PETERS. Yes.

Mr. LITTAUER. In this method you lose all control over specific appropriations?

Mr. PETERS. Not at all.

Mr. LITTAUER. It will be paid eventually out of an appropriation of some specific character, but you have no control over limiting it so as to keep it within the appropriation made for that fiscal year—

Mr. PETERS. Yes; they have—

Mr. LITTAUER. When, for instance, the paymaster at New York could pay out for miscellaneous, say, \$100,000, when there was a balance of but \$40,000 in that general account, which means that you exceed the appropriation and then come to us for a deficiency?

Mr. PETERS. An item of that kind would not come up under an appropriation for, say, miscellaneous.

Mr. LITTAUER. I do not know enough about the various items to distinguish between them as to that, but I am simply citing that as an example.

Colonel DENNY. While this is a general deficiency fund, no specific

appropriation of Congress under a general head can be exceeded. Otherwise they would violate that law about deficiencies being incurred.

Mr. LITTAUER. How can you control the action of fifty different men paying out of advances when the aggregate of these amounts is ascertained only when you get them all here in Washington and divide them up into the various subheads of appropriation?

Colonel DENNY. As a matter of fact, I believe they do not exceed the general total of appropriations under any item.

Mr. LITTAUER. "For pay, Marine Corps, 1904, \$54,652.78."

Colonel RICHARDS. That is a figure that the Auditor for the Navy Department has arrived at and has reported.

Mr. LITTAUER. You exceeded your appropriation by that amount!

Colonel RICHARDS. When the general account of advances was created—it is the act of June 30, 1878—that fund was created and defined by this clause to be a fund equal to the total amount of the appropriations for the Naval Establishment, and it authorized the Secretary of the Navy to advance sums to disbursing officers not to exceed this total amount. It expressly limits or prohibits the accounting officers from charging up in their adjustments of the general account of advances any sum in excess of the specific appropriations.

Mr. LITTAUER. So that if the naval bill carries \$98,000,000, that is the total amount that could be advanced?

Colonel RICHARDS. Yes; but the accounting officers are limited in their adjustment of the general account of advances to charging the specific appropriation, the amount of that appropriation; and beyond that further authority has been asked right straight along as a deficiency.

Mr. LITTAUER. How does it come that we have here now items for pay of Marine Corps, deficiency, 1903 and 1904? How do they come here at this late day?

Colonel RICHARDS. During this fiscal year there was probably \$600,000 expended under pay of Marine Corps. That was paid out to enlisted men of the Marine Corps serving on board ship. The naval paymasters on board ships receive their money on account of general account of advances in two ways—either by sale or bill of exchange or they receive it through a requisition in advance of their necessities, stating their necessity, and they receive this money from the general account of advances. They pay out to the enlisted men on board a ship, a sailor or marine alike, whatever sum he asks for, perhaps a portion of his pay. At the end of the year the accounting officers charge up not only the amount of money they paid to this man, but the amount that stood to his credit. It may not have been that in that year any paymaster really created a deficiency, in the sense of paying out the cash, but when they receive that account they charge up not only the cash paid, but the sums due and unpaid. It becomes a charge against that fiscal year.

Mr. LITTAUER. It is a credit to the men?

Colonel RICHARDS. Yes; it is credited to the men, and is charged to the appropriation. They found in 1903 that it was actually a charge against that appropriation.

Mr. LITTAUER. Why is it so long before they find that out?

Colonel RICHARDS. They do not settle the accounts until after the accounts are rendered.

Mr. PETERS. As a case in point, I may mention the fact that Secretary Root is going down to South America on one of our naval vessels, and in order to cover the possible expenses incident to the conduct of that vessel on that trip it will be necessary to give the paymaster credit on general account of advances, say \$50,000; and all the expenses that are incurred on that ship are charged, then, to the specific appropriation that is appropriated by Congress for the specific purpose. Otherwise you could not anticipate what is going to be expended out of each appropriation. They must have a lump sum, and the only way is to give it to them under general account of advances, and allow the payments and adjustments to be made after all the bills reach the Auditor's Office.

Mr. LIVINGSTON. How do you keep track of the officer? Who decides the question when your specific appropriations are exhausted in the Treasury Department? How do you know that he does you fair?

Mr. PETERS. They all come to each Bureau, and each bill is approved by—

Mr. LIVINGSTON. You have no check on it. He simply says that is exhausted and you must take it for granted. How do you know that it is exhausted?

Mr. PETERS. Well, it is certified to by the commanding officer of the vessel himself. He can not draw any except on the order of the commanding officer of the vessel.

Mr. TAWNEY. Why can you not make these advances out of the specific appropriations themselves?

Mr. PETERS. You do not know what the expenses will be. Suppose this vessel that is going to take Mr. Root to South America should break down at Panama or some other place; they might have to come in and make repairs on the vessel. It would be an emergency, if nothing else. He would have to have the money to pay for it there and then. We could not anticipate anything of that kind.

Mr. TAWNEY. Why could you not just as well advance out of the specific appropriations as out of the general account of advances?

Mr. PETERS. The paymaster does not make the advance. It is the Secretary of the Navy who places it to his credit in the Treasury Department.

Mr. TAWNEY. Why could not the Secretary of the Navy make the advance out of the specific appropriations?

Mr. PETERS. Because it is beyond the comprehension or knowledge of any man what will be expended.

Mr. LITTAUER. You can not anticipate how much any paymaster will pay out of any lump sum appropriation, and you simply give him a lump sum, and after the accounts are brought here to Washington they are divided up among the various items?

Mr. PETERS. Yes, sir.

Mr. LITTAUER. It seems to me almost impossible to control the specific expenditures under any appropriation, and so we have this long list of items here—

Mr. PETERS. You must remember this, Mr. Littauer, while you are saying that, that of the various appropriations there are balances turned into the Treasury and after the time has gone by you can not settle that. They must come here and ask for a deficiency.

PAY, MISCELLANEOUS.

Mr. LITTAUER. Now we will turn to page 56 of the bill, to "Pay, miscellaneous: For pay, miscellaneous, including all objects mentioned under the title of appropriation in the naval appropriation act for the fiscal year 1906, \$100,000." The appropriation was \$600,000, the same as the estimates. What is the reason for the deficiency?

MILEAGE AND TRAVELING EXPENSES.

Mr. PETERS. The reason for the deficiency is particularly the item of mileage and traveling expenses.

Mr. LITTAUER. Are all the sums paid out of this fund paid in accordance with statutory regulation?

Mr. PETERS. Yes, sir.

Mr. LITTAUER. So that you have no control over what the total amount is that has to be paid? Whatever a man travels he has to be paid for, no matter what the amount may be?

Mr. PETERS. Yes, sir.

Mr. LITTAUER. So that this \$100,000 deficiency comes from the carrying out of statutory provisions; is that so?

Mr. PETERS. That is correct.

Mr. TAWNEY. What mileage do the officers of the Navy get?

Mr. PETERS. Eight cents.

Mr. TAWNEY. What do officers of the Army get?

Mr. PETERS. I think they get the same thing.

Mr. LIVINGSTON. It seems 8 cents did not pay. Why do you not give them more money? You send men to California, and now you have a bill of \$500 or \$600 for extra mileage for them.

Mr. LITTAUER. Those were men sent out in connection with the *Valencia* disaster on the Pacific coast.

Mr. LIVINGSTON. Why do you not change the rule or ask the committee to change it?

Mr. PETERS. There is an item placed in the naval bill this year to put it in the discretion of the Secretary of the Navy as to whether or not he will allow mileage or traveling expenses. It was put in in the House, but was stricken out in the Senate, I believe. Whether or not the Secretary asked to have it reinserted I do not know.

Mr. TAWNEY. Where the mileage is greater than the traveling expenses would be, he would take mileage, and where the traveling expenses are greater than the mileage would be, he would take the traveling expenses?

Mr. PETERS. No, sir; it is the reverse of that, Mr. Tawney. For instance, that item was drawn by Secretary Bonaparte himself, for this reason: We have at different places throughout the country inspectors, at Newport News; Quincy, Mass.; Chester, Pa.; Harrisburg and Reading, Pa; Nicetown; Brooklyn, N. Y.; Boston, Bethlehem, and a number of other places. Those people have headquarters at the places I have named, and from there they are authorized, when it is necessary for them to inspect the different works, to go from one place to another, and when they have repeated travel under the present law the Secretary allows them actual expenses.

When the travel is not repeated under the present law they get mileage. That is by a decision of the Comptroller. One case came

up in which a man was stationed at Philadelphia, going around to different places and back, and he went up to Buffalo and back, and it took him only one day. That travel was not repeated, and when the bill came before the Secretary he said he would try to have that matter changed so that he would be permitted, in his discretion, to allow the actual expenses or mileage; and mileage being considered more in a long trip that does not require more than a day to perform the duty than it would if he paid actual expenses, all bills for traveling in which actual expenses are paid must be approved by the Secretary of the Navy himself; but all bills for traveling where mileage is paid are not presented to the Navy Department at all, because the law gives them so much, and they are sent right to the Treasury Department and settled by the Auditor in the accounts of the different paymasters.

Mr. LIVINGSTON. Have you made any effort to have it all put down on one line of actual expenses, certified to by the officer? Would not that be much better?

Mr. PETERS. That is a broader question than I care to answer. It would take a great deal of additional clerical work, and would cause a great deal of correspondence with reference to small items in traveling accounts.

Mr. SMITH. That was tried once for two years, and at the end of two years it was changed back on account of the difficulty of settling the actual accounts.

Mr. LIVINGSTON. Do you mean the officers were dishonest?

Mr. SMITH. No, sir; but the items were so numerous, and the accounts themselves were so numerous that the Auditor's office was unable to handle the matter at all. It was enforced for two years, and then was changed back.

Mr. LIVINGSTON. The officer should not have any voucher at all except his honor. If he goes 500 miles and spends \$150, he certifies on his honor that he spent \$150.

Mr. SMITH. The Auditor will not accept that. The Auditor's office requires a sleeping-car check, and so forth.

Colonel RICHARDS. They require a voucher for every item of expense, or a satisfactory explanation of its absence.

Mr. LITTAUER. In this item of \$100,000, how do you arrive at the conclusion that you need \$100,000 more?

Mr. PETERS. For "Pay, miscellaneous," as you see by the phraseology of the bill, it is practically a contingent fund. We can not tell exactly what is going to be spent in any one year because there are so many items that will be largely increased or decreased.

Mr. LITTAUER. How much have you spent up to date of this year?

Mr. PETERS. Up to date, excluding all other items than that of traveling expenses, we have expended in the first half of the year \$186,211.24, as against \$152,499.57 in the preceding year. That is an increase of \$33,711.67 over 1905 in the matter of traveling expenses, and if this same ratio were kept up, which we can very readily see will be kept up, it would amount to \$446,000 for this year for traveling expenses alone.

Mr. LITTAUER. But you have had for five years past this same appropriation of \$600,000, and no deficiency during those five years.

Mr. PETERS. I beg pardon, but we had a deficiency last year; and we asked for more money and you did not give it to us.

Mr. LIVINGSTON. It is not down here.

Mr. TAWNEY. Is this appropriation apportioned for the year at the beginning of this year?

Mr. PETERS. We can not apportion it. For instance, something would happen by which there would be a large number of officers sent to the Philippines, to relieve other ones at the end of the three-year term.

Mr. TAWNEY. Is it a statutory appropriation? Is it a statutory liability that is met by this appropriation, and therefore it is not one of the appropriations that has to be apportioned? Is that a fact?

Mr. PETERS. That is a fact. I want to give you an instance which the Secretary wanted me to call your attention to in reference to traveling expenses. There is an officer now recommended to be dropped from the list, in accordance with the provisions of the personnel bill, and he asked for another board, and he has the privilege of calling witnesses. He has asked for 13 admirals to testify before that court. One of them, I know, comes from New Orleans. That is just a matter of carrying out the provisions of the personnel bill, and the traveling expenses connected with that would be, perhaps, \$2,000. That was not a thing that could be anticipated at all.

Mr. LITTAUER. You say that in the first half of the year \$180,000 of this sum was expended, and consequently you figure out from that that you are going to have a deficiency?

Mr. PETERS. Yes, sir.

Mr. LITTAUER. Do you not think that you can get along until next December or January with \$600,000, without using it all up? These accounts will not all be in. Why should we appropriate \$100,000 based upon probabilities?

Mr. PETERS. It is not probabilities on the basis of an insurance table.

Mr. LITTAUER. I can not argue with you on that.

Mr. PETERS. When we made our estimates you increased the appropriation from \$500,000 to \$600,000. First it was increased to \$400,000, and then to \$500,000.

Mr. TAWNEY. You mean the Naval Committee did?

Mr. PETERS. Yes.

Mr. LITTAUER. Since 1902 the appropriations for this item have been \$600,000 a year. Now you give us figures to show that the expenditures increased rather rapidly for the first two quarters, and consequently you figure out a deficiency at the end of the year.

Mr. PETERS. Yes, sir.

Mr. LITTAUER. It may be so, and then again it may not be so?

Mr. PETERS. It will be so, Mr. Littauer.

Mr. LITTAUER. How did you get along last year.

Mr. LIVINGSTON. You have had no increase since 1901.

Mr. PETERS (reads). "To pay amounts found due by the accounting officers of the Treasury (to reimburse 'General Account of Advances') for the fiscal year 1905, \$30,000."

Mr. COURTS. That is the amount in this bill.

Mr. LITTAUER. That is general account of advances again. I am talking about "Pay, miscellaneous." The deficiency last year was \$30,000, and you are only coming for it now. Why do we want to give you \$100,000 for it at this time?

Mr. PETERS. If you will look at page 34 of your supplemental deficiency estimates you will see that the Treasury balance on January 1, 1905, was \$364,163.12; on January 1, 1906, it was \$436,782.61; on

March 1 it was \$272,000, in 1905, and on March 1, 1906, it was \$217,000.

Mr. LITTAUER. That simply shows that the expenditures are increasing.

Mr. PETERS. The expenditures are increasing.

Mr. LITTAUER. And from that you figure out there will be a deficit of \$30,000 and as it was \$66,000 less than was available, you figure it out \$100,000.

Mr. PETERS. Prior to 1904 all the inspection done was charged to the specific appropriation made for the supplies or articles that were purchased. The Comptroller decided at that time, in December, mind you, December 31, 1904, that all those expenditures would have to be made out of "Pay, miscellaneous." That increases it.

MARINE CORPS.

Mr. LITTAUER. Now, on page 57, we come here to the Marine Corps, "For pay and allowances prescribed by law of officers on the active list, \$25,010."

Colonel RICHARDS. That was the figure arrived at last December, as the probable deficiency that would occur at the end of this year. The fact of the matter is that for about ten years the pay of the Marine Corps has had deficiencies.

Mr. LITTAUER. Can you not figure out the exact amount?

Colonel RICHARDS. They were figured last December, and immediately after, a year ago, March 3, 1905, the law was passed relative to the creation of deficiencies, and since then it was developed that these deficiencies that heretofore were handled by the accounting officers and not by the Navy Department or Marine Corps could not be incurred.

The estimates were prepared in the light of that information, and we figured it exactly. If you will observe there, in the printed page, so far as the pay of officers for this fiscal year just beginning on the 1st of July is concerned, it is fully \$30,000 more. That increase—I can not justify it on the basis of what has been done in the past, but I know that amount of money is absolutely necessary to pay the number of officers allowed by law at the rates of pay allowed by law.

Mr. LITTAUER. The next item reads, "For pay of officers prescribed by law on retired list, \$34,570," and the next, "For pay of enlisted men prescribed by law on active list, \$105,978."

Colonel RICHARDS. So far as those calculations are concerned, I wish to explain that since the estimates were prepared for this fiscal year there have been some increases in the amounts of pay of the enlisted men and of the officers as well, due to the decisions of the Comptroller of the Treasury and by the courts. For instance, a decision which was rendered about a year ago in the case of Colonel Mills, in which it was decided that the foreign-service pay of officers, which had been heretofore 10 per cent for officers and 20 per cent increase for enlisted men, was figured on the minimum pay, and now becomes figured on the maximum pay, and that brought about an increase of \$15,000 for both officers and enlisted men.

Mr. LITTAUER. That means you will have a deficiency in the estimates for 1907?

Colonel RICHARDS. No, sir. We prepared these estimates in the light of that information.

Mr. LITTAUER. Do all your items, then, that we have here on page 57 come practically under the same category?

Colonel RICHARDS. All except one there, for undrawn clothing for enlisted men. The enlisted men are allowed a certain quantity of clothing issued in kind. If they do not draw all that issued in kind, the money value is credited to them on their discharge. During this last fiscal year, or not exactly the fiscal year, but the year which began on March 3, 1905, and ended on March 3, 1906, double the number of enlisted men were discharged, for the reason that four years ago the period of enlistment was changed from five to four years. During that particular year we discharged about 1,800 enlisted men. Those men were paid their undrawn clothing, which produced a total charge of—

Mr. LITTAUER. Your usual amount is \$36,000. Double that would be \$72,000.

Colonel RICHARDS. The usual amount contained in the estimates and appropriations, but not the amount actually paid.

Mr. LITTAUER. You state here, then, that your estimates did not bear any close relation to what was actually needed for any branch of the service?

Colonel RICHARDS. I must admit that was essentially correct. The estimates have been since then more accurately prepared, since we have commenced to figure them more accurately under this law of 1905 relative to deficiencies.

Mr. LITTAUER. When will these sums that you have here be paid out?

Colonel RICHARDS. The undrawn clothing will be paid out at the end of this month.

Mr. BRUNDIDGE. This present month of June?

Colonel RICHARDS. Yes, sir. While these items for the pay of the Marine Corps come before you as separate items—pay of officers and enlisted men, and undrawn clothing—they are all items of one appropriation for pay of the Marine Corps, and the law contains a provision creating that one fund for purposes of accounting, and no consideration is taken when they make up the account.

Mr. LIVINGSTON. Why do you estimate \$77,000 as against \$57,000 a year ago?

Colonel RICHARDS. That figure of \$77,000 was based upon the fact that about 950 men will be discharged during the year beginning on the 1st of this July and ending on the 1st of next July. Those men will probably receive a quantity of undrawn clothing. The amount can not be exactly figured on, because some of the men are more economical than others. Some may save \$20, while others may save \$100.

Mr. LIVINGSTON. You have no reference to the dead line that Congress put on you?

Colonel RICHARDS. No, sir; that is based upon the number that will be discharged. We determined the number that would be discharged this year by looking at the dates of enlistment.

Mr. LITTAUER. Passing those items we come to page 58, to fuel, "To reimburse the appropriation, 'Coal and transportation,' Navy Department, fiscal year 1904, for fuel furnished the Marine Corps,

\$400." I suppose there is where you got some coal from the Navy and want to pay it back this way?

Colonel DENNY. It was got from the Navy at Cavite and Olongapo. The intention of the Navy Department was to give it to us, and the matter was submitted to the Comptroller as to whether they could give it to us. The Comptroller decided they could not.

CONTINGENT EXPENSES, MARINE CORPS.

Mr. LITTAUER. Now, for contingent expenses of the Marine Corps, "including all objects mentioned under this title of appropriation in the naval appropriation act for the fiscal year 1906 to permit the reimbursement of the Quartermaster's Department, U. S. Army, for certain supplies transferred by that Department to the Marine Corps for use of the marine guard at Peking, China, \$5,292.99," I think that is pretty well covered in the notes.

You have got some advertising claims here of newspapers, bills incurred without strict technical regulation?

Colonel DENNY. There are two, and the story in brief is that we attempted to build barracks and officers' quarters at New Orleans, and the Secretary of the Navy authorized us to advertise in two newspapers. That was done, and the architect, who resides in New Orleans, in his zeal, having failed once before to get bids, himself put two advertisements in the newspapers. That is not authorized by law, and under the decision of the Comptroller the only way such bills can be paid is by specific authorization of Congress.

Mr. TAWNEY. This man at New Orleans had no authority to advertise?

Colonel DENNY. No, sir. Under the law the Secretary alone has that authority.

Mr. TAWNEY. I mean he had no direction from the Department to advertise?

Colonel DENNY. No, sir. It was simply an outburst of zeal on his part.

Mr. TAWNEY. How many men of the Marine Corps have you at New Orleans?

Colonel DENNY. From 50 to 60 now, and we are endeavoring to build barracks to accommodate 100. They are living now in old plantation buildings that have no sewerage or drainage, and they are very bad. It was in the effort to improve that condition that the man incurred this expense.

Mr. LITTAUER. The next item is "To pay accounts on file in favor of the New York, New Haven and Hartford Railroad Company, for freight charges, \$1.88, and the La Conner Trading and Transportation Company, for freight charges, \$3.38—Marine Corps, fiscal year, 1903, \$5.20." That is a lapsed appropriation.

STORES DESTROYED AT SAN FRANCISCO, CAL.

The next is "Stores and supplies destroyed at San Francisco." Here we come to quite an item—clothing, and so forth, \$150,000. Have you an accurate statement of what you had at San Francisco at the time?

Colonel DENNY. I have returns at my office giving the money value.

Mr. LITTAUER. What was it?

Colonel DENNY. One hundred and fifty thousand dollars, made up, in a general way, as follows: Assistant quartermaster's office, the office outfit, including furniture, safes, and everything in the office, \$3,000; assistant inspector's office outfit, \$3,000; assistant paymaster's outfit, \$3,000; recruiting office outfit, \$1,000; then clothing for the enlisted men, including all articles and garments manufactured and issued for the use of the men stored out there in that depot for the navy-yards at Mare Island, Bremerton; Sitka, Alaska; the Pacific Squadron, the Sandwich Islands, Samoa, and in vessels touching on the western coast bound east; that item is \$100,000. I can say here that is within \$11 exactly of the exact value of the clothing. Then there is an item of men's wear, barracks furniture, and so forth, \$25,000. That includes all camp and garrison equipage, and all crockery, china and glass ware connected with the barracks. That is \$25,000. Arms and accouterments, including haversacks, canteens, rifles, targets, ammunition, and so forth, \$15,000. The total, as I said, is \$150,000.

Mr. LITTAUER. Now, as to this office outfit, you of course have established new offices out there, have you not?

Colonel DENNY. We have established temporary offices at Berkeley. We have rented offices.

Mr. LITTAUER. Do you need all this money?

Colonel DENNY. Every cent of it. We have simply rented temporary offices, in which there are dining tables and things used as tables. We have no office equipment at all, yet.

Mr. LITTAUER. As to this clothing—\$100,000 worth of clothing—was there a part of it that was old and had accumulated?

Colonel DENNY. No, sir; the depot was established only about two years ago. Everything there was practically sent there within the last eighteen months.

Mr. LITTAUER. That would apply to the equipage as well?

Colonel DENNY. Yes, sir.

Mr. LITTAUER. So that it was new property—available for service?

Colonel DENNY. Yes, sir.

Mr. LITTAUER. Within a few days you will have the appropriation for the next fiscal year available. Do you need to have this restored now?

Colonel DENNY. Yes, sir.

Mr. LITTAUER. Can you not get along without it until the new appropriation is available?

Colonel DENNY. The loss of this makes a hole in the supplies on hand. That hole will have to be supplied to enable us to have on hand a sufficient quantity of supplies for the next fiscal year.

Without these supplies we will not have enough to make the regular issues for the next fiscal year.

Mr. LITTAUER. You figure to carry a stock on hand from year to year?

Colonel DENNY. We must.

Mr. LITTAUER. How much of a surplus did you have in the last year in the line of clothing?

Colonel DENNY. Roughly, from five to six months. We are never over six months in the way of a surplus.

Mr. LITTAUER. Did you get a largely increased appropriation for the coming year?

Colonel DENNY. No, sir.

Mr. LITTAUER. Then, from your statement, you must have this matter replaced?

Colonel DENNY. It is absolutely necessary, if the number of enlisted men now in the corps is kept up, to provide clothing for them, arms, accoutrements, and camp equipage:

HEADQUARTERS U. S. MARINE CORPS,
QUARTERMASTER'S OFFICE,
Washington, D. C., June 21, 1906.

DEAR MR. LITTAUER: I beg to invite your particular attention to the clause in the estimates for \$150,000 to replace clothing, arms, etc., destroyed in the marine corps depot, San Francisco, by the recent fire, submitted to your committee for consideration in connection with the general deficiency bill, which clause reads as follows:

"To be immediately available and available until used."

Also to so much of my letter dated April 30, 1906, transmitting the estimates, which reads as follows:

"If the appropriation is provided by Congress it is suggested that a clause appear in the wording of the act which will authorize the continuation of the appropriation until used, so as to permit the material, especially clothing, to be obtained after due advertisement from the manufacturers. Some of the uniform material, being of special color and quality, will have to be made, none being obtainable in the open market. The time required to manufacture such material varies from three to five months. It is equally important that the act also provide that the appropriation be made immediately available in order that everything possible can be purchased at once, such as office furniture, safes, and such articles of clothing as can be procured in the open market to meet emergency."

I know that the importance of the foregoing suggestion will appeal to you as a business man, and I sincerely hope that you may regard it as not only urgent but practicable from the lawmaker's point of view.

Thanking you for your courtesy, etc.

Very truly, yours,

F. L. DENNY.

Hon. LUCIUS N. LITTAUER,
Committee on Appropriations, House of Representatives, City.

RENT OF BARRACKS, MARINE CORPS.

HEADQUARTERS U. S. MARINE CORPS,
QUARTERMASTER'S OFFICE,
Washington, D. C., June 21, 1906.

DEAR MR. LITTAUER: You were so very busy yesterday and the hour being late I failed to refer to a matter which is of much importance to the Marine Corps and which, most fortunately, surely from your point of view, does not involve an increase in the usual annual appropriations.

It is this: Frequently detachments of marines are ordered to Washington from other stations for temporary duty. The accommodations for men at the two barracks here being quite limited, quarters must be hired or leased. In addition, there is at present no fireproof building in which we can store our own records; our regular offices being overcrowded, there are no room for courts, boards, etc., from time to time convened for various purposes in Washington. Until December 10, 1904, there was no particular embarrassment, as buildings were rented or leased and the expenses paid out of the regular appropriation "Repairs of barracks."

On the date given, the Comptroller of the Treasury held that as the act of March 3, 1877 (19 Stat. L., 370), provided that without special

authority of Congress no executive branch of the Government could rent a building, or any part thereof, within the District of Columbia, no further payments out of the appropriation mentioned could be made for this object; consequently, in this direction our hands are tied, and I beg to appeal to you in the emergency to incorporate a provision in the general deficiency bill providing in effect as follows:

Repairs of barracks, Marine Corps: For rent of buildings, or parts thereof, within the District of Columbia, \$———: *Provided, however,* That the amount of the annual naval appropriation acts under this head shall not be increased.

With many apologies for bothering you so much in relation to Marine Corps appropriations,

Very truly, yours,

F. S. DENNY.

Hon. LUCIUS N. LITTAUER,
Committee on Appropriations.

BUREAU OF ORDNANCE—DEFICIENCY “CONTINGENT BUREAU OF ORDNANCE.”

Mr. LITTAUER. We will now go to page 63, to supply a deficiency in the appropriation “Contingent, Bureau of Ordnance.” For the fiscal year ending June 30, 1905, in order to affect adjustment of general account of advances and to cover any bills that may be outstanding, as well as future charges on account of unadjusted freight claims, \$40,000. I understand for that purpose you need at this time \$15,412.89, and then the balance of the \$40,000 that you ask was to permit you to meet charges that will come in.

Admiral MASON. As I understand it that is it.

Mr. LITTAUER. The \$40,000 is a sort of an estimated deficiency?

Admiral MASON. Yes, sir.

Mr. LITTAUER. And the \$15,000 is an actual deficiency?

Admiral MASON. So far as I know.

Mr. LITTAUER. Is it necessary for you to have a fund to pay these accounts from as they are adjusted after the end of the year?

Admiral MASON. I think it is. There is a further appropriation after that year. Freight for the Bureau of Ordnance is paid from the Bureau of Supplies and Accounts.

Mr. LITTAUER. How do you reach the total of \$40,000, on past experience?

Admiral MASON. It is made by the Bureau of Supplies and Accounts, not by our Bureau at all.

Mr. PETERS. In accordance with the liabilities.

BUREAU OF YARDS AND DOCKS—MAINTENANCE, YARDS AND DOCKS.

Mr. LITTAUER. For general maintenance of yards and docks, including all objects mentioned under this title of appropriation in the naval appropriation for the fiscal year 1905, \$20,000.

Mr. WILLIAM M. SMITH. That was in 1905, and was due to over-expenditures at foreign stations. We found, on investigation, that it

was due to a misunderstanding of instructions sent out. The Bureau allotted a certain sum to the naval stations at Guam, and also at Cavite, and Tutuila, Samoa, and they were informed that it was to cover all expenditures both for labor and material. They bought at those places such things as the market affords, but some things they sent to the United States to have sent out. They misunderstood the instructions in this way: That they took it to cover the articles which they purchased on the islands, and not which were purchased in the United States and sent out, and this deficiency was created before the error was discovered.

INCREASE OF THE NAVY—ARMAMENT AND ARMOR OF DOMESTIC
MANUFACTURE.

Mr. LITTAUER. Who is here to tell us in reference to the increase of the Navy?

Admiral MASON. I am, sir.

Mr. LITTAUER. We find that you had during the current year \$18,000,000, and you come here now for a deficiency of \$2,000,000. How much of the \$18,000,000 has actually been spent?

Admiral MASON. All of it, and we have bills, that is the Bureau of Supplies and Accounts have, for \$1,282,000 unpaid, and with a prospect of having \$1,500,000 by the end of this month. As you know, the appropriation for the increase of the naval armament and armor was a continuous appropriation.

Mr. LITTAUER. And everything will be exhausted?

Admiral MASON. It is exhausted now, and for the last three weeks we have held up the bills. There is, roundly, \$1,300,000 of approved bills held up because we have no money to pay them with. But on the 1st of July, of course, as soon as the appropriation bill passes, they can be taken up and paid.

Mr. LITTAUER. Why should you ask for this deficiency; this amount will not become available probably until one or two days before the end of the fiscal year?

Admiral MASON. Well, this was asked for some months ago. I asked the Secretary of the Navy to decide as to whether we would let the bills be held up or take it out of the next year's appropriation. If it comes out of the next year's appropriation, in all probability we will have the same trouble at the end of that year. The deficiency to a great extent is due to the purchasing and paying for material in advance of the actual requirements. We have been pushing things as fast as we could to catch up.

Mr. LITTAUER. There is no necessity for your receiving an appropriation of two millions of dollars in the last days of a fiscal year when you are going to have, within the next few days, fourteen millions of dollars.

Admiral MASON. Excepting that next year we will have to come for another deficiency. I was rather surprised when I received notice to-day to come here, because I imagined that this had gone out.

Mr. LITTAUER. All right, we will let it go out.

Admiral MASON. But we will probably have to come next year for another deficiency.

ASSISTANT ATTORNEYS IN SPECIAL CASES.

GREENE AND GAYNOR CASE.

DEPARTMENT OF JUSTICE,
OFFICE OF THE ATTORNEY-GENERAL,
Washington, D. C., June 20, 1906.

SIR: In compliance with the request communicated to me by Mr. Courts, I have the honor to submit the explanation of the estimate contained in House Document No. 696. Twenty-two thousand five hundred dollars of the \$45,000 estimated for is required for the payment of foreign counsel in the Greene and Gaynor extradition case, their services in which began several years ago and were completed during the current fiscal year by the return of Greene and Gaynor to Savannah for trial. They have since been convicted. The cost of this extradition has been altogether approximately \$100,000. The complicated and important litigation conducted under the direction of this Department has required from time to time the appointment of special counsel, the compensation to be determined by the Attorney-General.

These appointments have been made in land-fraud cases, customs-fraud cases, naturalization-fraud cases, prosecutions arising out of dishonesty in the Post-Office Department, and the like. Moreover, as heretofore pointed out to the Committee on Appropriations, some of the employees of the Department of Justice are paid from this appropriation. It is not possible to know in advance just when payments are to be made to the counsel specially employed. Of course the Attorney-General must determine the payments in accordance with the amount appropriated by Congress. Some of these counsel have been employed for a long time in cases which are complicated and difficult. Almost without exception the counsel were employed prior to my incumbency of this office, and from time to time I have made every possible effort to discontinue the employment of special counsel wherever the public interests would permit. Measured by the fees paid by private clients, the amount paid to counsel for the Government is small and is often regarded as entirely inadequate.

I believe the amount estimated for has been earned and ought fairly to be paid at this time. Prior to the current fiscal year the compensation for foreign counsel was paid from the appropriation "Miscellaneous expenses, United States courts," but under a proviso in the sundry civil appropriation act for that year the payment of such expenses was authorized from the appropriation under consideration.

Very respectfully,

W. H. MOODY, *Attorney-General.*

Hon. JAMES A. TAWNEY,

*Chairman Committee on Appropriations,
House of Representatives.*

JAIL AT NUSHAGAK, ALASKA.

DEPARTMENT OF JUSTICE,
Washington, June 20, 1906.

HON. JAMES A. TAWNEY,
*Chairman Committee on Appropriations,
House of Representatives.*

SIR: The item of \$687.32 contained in House Document No. 861, concerning which inquiry is made in your telegram of this date, represents the excess beyond the limit prescribed by law in the actual cost of the construction of the United States jail at Nushagak, Alaska.

Section 31 of the act of June 6, 1900, provides that any division of the district court in Alaska may, where necessary, order the construction or repair of a jail building at the place or places where terms of court are held, at a cost not to exceed \$3,000 for each building, to be paid by the clerk from court funds.

It was the intention to keep the cost of the jail at Nushagak within the limit as above stated, but it was found impracticable to complete it as anticipated. The building was not constructed by contract, but mechanics were employed to do the work at the best rates obtainable. The uncertainty of and greatly varying prices for labor and material in remote portions of Alaska render it exceedingly difficult to determine in advance with exactness the cost of even a small building of this kind. This work was done at a long distance from the headquarters of the judge, who could not therefore personally supervise the construction of the building.

The expense in question has been incurred in good faith, without any intention to exceed the limit of cost prescribed by the act of June 6, 1900, and it is hoped that the item will receive favorable consideration by the committee.

Respectfully,

H. M. HOYT,
Acting Attorney-General.

THURSDAY, June 21, 1906.

INTERIOR DEPARTMENT.

REINDEER FOR ALASKA.

STATEMENT OF REV. SHELDON JACKSON, WASHINGTON, D. C.

MR. LITTAUER. You have an estimate here "For support of reindeer stations in Alaska, for the instruction of Alaskan natives in the care and management of the reindeer, and for the purchase and introduction of reindeer from Siberia for domestic purposes for the fiscal year 1905, \$2,029.85." How did this deficiency arise?

MR. JACKSON. It arose from the fact that the bills for this did not come in until after the appropriation had been expended; the deficiency was so great that they did not arrive.

MR. TAWNEY. Did you not know that they were coming in, and that the expenditure had been authorized?

Mr. JACKSON. We knew that they were coming in, but we did not have the amount, and we could not tell very much about it, because the distance was so great and the appropriation was small.

Mr. TAWNEY. What was the appropriation—\$15,000?

Mr. JACKSON. I think so, but I am not certain.

Mr. TAWNEY. It was the annual appropriation for the reindeer?

Mr. JACKSON. Yes, sir.

Mr. TAWNEY. It was \$15,000—or was it \$25,000?

Mr. JACKSON. I think perhaps for 1905 it was \$25,000, and then reduced to \$15,000 for 1906.

Mr. TAWNEY. And before these accounts came in to be paid the appropriation was exhausted?

Mr. JACKSON. Yes.

Mr. TAWNEY. Why were those accounts authorized beyond the limit of appropriation?

Mr. JACKSON. Because the account ran up beyond what we could anticipate. For instance, there were two different herds moved that cost us three times what we supposed they would cost. We had to move them to make new central stations.

Mr. LITTAUER. I gather from your note here that the real reason was that these men had gone forth to purchase the reindeer and in the meantime you had to transfer herds from Unalaklik to Bethel.

Mr. JACKSON. Yes, sir; and also from Bethel to Copper Center, and the transfers cost us three times what was expected.

Mr. LITTAUER. What was the reason that they cost so much?

Mr. JACKSON. They were moved 600 miles through a country through which no white man had been, along no trail, and of course they got mixed up. When we did not hear from them for six months we did not know whether they were alive or dead. It was simply an emergency case.

Mr. TAWNEY. Why were they sent on an expedition of that kind?

Mr. JACKSON. Because there was a demand for a separate station, a central station, from which they might be given out in that neighborhood; the miners were clamoring for them.

Mr. TAWNEY. And in order to reach this station you had to transfer them 600 miles through a country through which no white man had traveled?

Mr. JACKSON. Yes.

Mr. TAWNEY. How many people are there in this neighborhood?

Mr. JACKSON. Allow me to say that the men could have gone up the Yukon River by boat, but we could not drive the reindeer up the river and we could not afford the expense of shipping them by boat.

Mr. TAWNEY. Would not that have been cheaper?

Mr. JACKSON. Oh, no. The freight from the mouth of the Yukon River up to Bethel is \$145 a ton, ship measurement, 140 cubic feet.

Mr. TAWNEY. It is not that now, is it?

Mr. JACKSON. Yes, sir; it is that now. We have paid that on some of our supplies.

Mr. TAWNEY. How recently have you investigated—when was the last report?

Mr. JACKSON. The last printed report was December, 1904, and the report for December, 1905, is now on the table for printing.

Mr. TAWNEY. I would like to have this statement printed in connection with Mr. Jackson's remarks.

Following is the statement referred to:

Amounts placed on deficiency bill April 17, 1906.

[See commissioner's book, p. 270.]

Purchased from Mary Anderwuk, 11 female reindeer, at \$25-----	\$275. 00
Purchased from Okitgon, 5 female reindeer, at \$25-----	125. 00
Purchased from O. P. Anderson, 8 female reindeer, at \$25-----	200. 00
Purchased from Tatpan, 5 female reindeer, at \$25-----	125. 00
Purchased from Tatpan, 2 reindeer trained to harness, at \$35-----	70. 00
Purchased from Nallogoroak, 1 reindeer trained to harness, at \$35-----	35. 00
Salary of Harry Karmun, Deering, Alaska, from January 1 to June 30, 1905-----	50. 00
Rations for Harry Karmun and James Keok, Deering, from January 15 to June 30, 1905, 5½ months, at \$29.86½ per month-----	164. 00
Traveling expenses of H. E. Redmyer from Minnesota to Bethel, Alaska, in July and August, 1905-----	45. 85
Salary of Isak Bango, Teller, Alaska, January 1 to June 30, 1905-----	250. 00
Salary of Per N. Bals, Nulato, Alaska, January 1 to June 30, 1905-----	250. 00
Salary of Albert Lahti, Gambell, Alaska, April 1 to June 30, 1905-----	150. 00
Salary of S. Sotka, Gambell, Alaska, for April, 1905-----	50. 00
To salary of John Tumejaluk, Charlie Nanenak, and Peter Garfield, three Kobuk natives, for services in care of reindeer herd at Tanana, Alaska, from January 1 to June 30, 1905, at \$80 each-----	240. 00
Total-----	2, 029. 85

In the development of the reindeer enterprise in Alaska, it has been the policy of the Bureau of Education to secure, by purchase, from Alaskan natives (whenever the condition of the herds belonging to the Government would not warrant the subdividing of said herds) the reindeer required by the Government in starting new centers for the instruction of the Eskimo in the herding and training of reindeer.

In carrying out this general policy, Mr. C. O. Lind, supervisor of the reindeer herds in the central division of Alaska, in the spring of 1905 purchased the reindeer, as enumerated above, from the natives at Unalaklik, in the region bordering on northern Bering Sea. Under the supervision of Mr. Lind said reindeer were all marked with the Government brand and placed in the Government herd at Unalaklik.

Before information was received from Mr. Lind regarding the purchase of the above-mentioned deer, the bills for certain unforeseen expenses in connection with the transfer of reindeer from Unalaklik to Bettles, a new station on the Koyukuk, a northern tributary of the Yukon (a distance of 600 miles from Unalaklik across unexplored country without road or trail), also the bills for unexpectedly heavy expenses of the transfer of the herd of reindeer from Bethel to Copper Center, another new station, in the Copper River Valley north of Valdez (a distance of 1,000 miles, also through an unbroken wilderness without road or trail), were received and paid in Washington.

When, late in the autumn of 1905, the certified vouchers for the reindeer purchased by Doctor Lind in remote western Alaska reached Washington, there was no available money with which said bills could be paid.

During the winter of 1904 Mr. W. T. Lopp, supervisor of reindeer herds in northwestern Alaska, made an agreement with James Keok and Harry Karmun, two Eskimo young men at Deering (a remote village on the coast of northwestern Alaska, almost under the Arctic Circle), for the services of said Keok and Karmun as herders in charge of the herd of reindeer at Deering at a salary of \$100 each per year and rations at a cost of \$29.86½ per month.

For three months during the winter of 1904-5 Mr. Redmyer (in charge of the transfer of the herd from Bethel to Copper Center) was in the unexplored country between the the Kuskokwim and Copper rivers, and he had no means of informing this Bureau regarding his traveling expenses. The herders, Karmun, Bango, Bals, Lahti, and Sotka, are all at remote points in northern Alaska (Campbell, on St. Lawrence Island, being reached but once a year by the revenue cutter making the arctic cruise), and before the vouchers covering the bills enumerated above reached Washington the payment of the extraordinary expenses in connection with the transfer of reindeer to Bettles and Copper Center had left no money available for the payment of said bills.

As these bills have actually been incurred, the reindeer delivered, and the services rendered by the herders, I earnestly recommend that adequate appropriation be made for the settlement of these accounts in the sum of \$2,029.85.

I have the honor to be, very respectfully, your obedient servant,

W. T. HARRIS, *Commissioner*.

GENERAL LAND OFFICE.

STATEMENTS OF MR. JAMES T. MACEY, CHIEF CLERK, AND MR. FRANK BOND, CHIEF OF THE DRAFTING DIVISION, GENERAL LAND OFFICE.

OFFICIAL PLATS, UNITED STATES SURVEYS, SAN FRANCISCO.

Mr. LITTAUER. The legislative bill carried an appropriation for the reproduction of the California plats, did it not?

Mr. MACEY. No.

Mr. LITTAUER. We gave you \$61,000 for the work and \$10,000 for the rent and furniture of a building.

Mr. MACEY. Yes; that appropriation was for the employment of clerks and draftsmen.

Mr. LITTAUER. On page 70 we have a submission of an estimate to enable the Commissioner of the General Land Office to reproduce by photolithography 4,855 copies, more or less, of the official plats of the United States surveys constituting a part of the record of the office of the United States surveyor-general at San Francisco destroyed by earthquake and fire, \$14,565, or so much as may be necessary. Will this be the work that that force is to do?

Mr. MACEY. Not entirely.

Mr. LITTAUER. What are they for?

Mr. MACEY. This appropriation is for a reproduction by photolithography of all the township plats in the State of California, with the exception of 1,183, which we had in our office.

Mr. LITTAUER. What do you mean it for?

Mr. MACEY. It is for the surveyor-general's office; we have to have them.

Mr. LITTAUER. Do you sell them?

Mr. MACEY. We keep them in our office, the photolithographs, and sell them; but the surveyor-general has to have a set of all the plats of townships in the State.

Mr. LITTAUER. Haven't you got them?

Mr. MACEY. They were burned up.

Mr. LITTAUER. We have given you the money to reproduce them.

Mr. MACEY. Do you mean that \$61,000?

Mr. LITTAUER. Yes.

Mr. MACEY. You gave us 50 clerks for copying the records of the San Francisco land office and for copying the field notes of the surveys of the surveyor-general's office, and 12 draftsmen for making tracings of about 2,800 townships, which were so worn and defaced that we can not make photolithographs from the originals. That is what that appropriation is for.

Mr. LITTAUER. They were worn and defaced in your office here?

Mr. MACEY. Yes, sir; having been so many years.

Mr. LITTAUER. Do you mean to transfer those to the offices in California?

Mr. MACEY. No. In this photolithography we make sets of 15, and we will send to the surveyor-general a copy of each township in his State. We will have to have about a thousand for the San Francisco land office, also, for them to do business. They have nothing out there now to work with.

Mr. LITTAUER. You make about 15 copies of each plat?

Mr. MACEY. Yes.

Mr. LITTAUER. Isn't it much cheaper to make these directly than to photolithograph them?

Mr. MACEY. Oh, no; it costs about \$4 to make one tracing. If we had to make another tracing, one for the surveyor-general and one for the land office, then we would have already spent \$8 on one township and would have nothing left.

Mr. LITTAUER. Is there any other way of doing this than by photolithography?

Mr. MACEY. No, sir.

Mr. LITTAUER. Is there any printing on these plats, or are they simply tracings?

Mr. BOND. Simply tracings. The photolithographs are made from the tracings or from the originals if they are not defaced so that they can not be used. Out of the total number of California plats we have something like 1,200 that we can photolithograph direct from the originals, because they are in condition; but the rest—nearly 5,000—we must make tracings of. Those tracings are provided for, but we don't want to go to the expense of making another set of tracings for the San Francisco land office of another batch that will cost us as much as the others. I would also state that we will have to supply the Redding office, and we propose to supply the Independence office also with the photolithographs, which will only cost us about 25 cents apiece.

Mr. LITTAUER. That is, you sell them for that?

Mr. BOND. Under the law we are entitled to sell them at 25 cents apiece, but we have them also for official use. We get three copies on drawing paper and the rest on commercial paper, which will do for general use. We are authorized under the law to sell soft copies for 25 cents apiece to the public.

Mr. LITTAUER. Do you handle the Eastern States in the same way?

Mr. BOND. We would if we had the appropriation. We get an annual appropriation of \$3,500, which does not enable us to do much work.

Mr. LITTAUER. What is the necessity for doing it for California?

Mr. MACEY. They have been burned out, losing all of their plats.

Mr. BOND. They have got to have plats, and the question is, How are we going to get them for them? The photolithographic process is much cheaper for purposes of reproduction.

Mr. LITTAUER. Have you investigated the plano-lithographic process?

Mr. BOND. We have had bids of all kinds. Some of them are unable to do our work, partly because the plats are so discolored. Lots of them are made in colors, and we do not allow any colors in plats and have not in recent years. The old plats are in colors. It is difficult to use any process whereby a photograph or similar methods are employed. We have never had any bids upon any method that approximated the photolithographic bids.

Mr. GRAFF. This photolithography you do yourself, do you?

Mr. MACEY. No, sir; we ought to, but we haven't the means.

Mr. LITTAUER. And this is going to reach \$14,500?

Mr. MACEY. For the entire State.

Mr. LITTAUER. So that in addition to the \$61,000, and \$10,000 in the legislative bill, your loss in San Francisco also includes this \$14,000?

Mr. BOND. Yes, sir.

Mr. LITTAUER. Making about \$85,000 for the surveyor-general's office?

Mr. BOND. That is the estimate for the surveyor-general's office and the register and receiver of the land office. We supply them also.

Mr. MACEY. You understand that when a township is surveyed the surveyor-general makes three plats of that survey; one is kept in his office, one goes to the General Land Office here, and one to the local land office for their use in disposing of public lands. Two of those plats in the San Francisco office were entirely destroyed, the San Francisco plats for the district and the surveyor-general's office for the entire State. What we propose to do is to reproduce the entire State plats by photolithography.

Mr. LITTAUER. Reproduce the entire State by copying from your work here, or part will be copied and part will be photolithographed from your records?

Mr. MACEY. Yes, sir; \$14,000 will be entirely for photolithography.

Mr. LITTAUER. That will take care of part, and for the rest you will have to have new tracings made.

Mr. TAWNEY. Is that necessary in townships where all the public land has been disposed of?

Mr. BOND. Yes, sir. Under the law, after the public lands in a State have been disposed of the records are required to be delivered intact to the State officer who shall be designated by the legislature to receive the records, and thereafter they become the records of the State.

Mr. TAWNEY. In those townships where the disposition of public lands has been completed and all the lands disposed of, have not those plats been turned over to the State?

Mr. MACEY. No, sir; they never will be turned over to the State until the office of the surveyor-general is abandoned.

Mr. TAWNEY. They are required by law to be turned over.

Mr. MACEY. Yes; by two sections of the Revised Statutes, but I forget the numbers now.

PAYMENTS TO UNITED STATES DEPUTY SURVEYORS.

Mr. LITTAUER. The next item is for payment to certain United States deputy surveyors for surveys and resurveys of public lands executed by them in certain States necessary to complete the surveys under their contract, being the amounts found due them by the Commissioner of the General Land Office in accordance with the rates authorized in the acts making appropriation for the survey and resurvey of public lands for the fiscal years in which the work was executed, as set forth in House Document No. 632 of this session, \$2,268.87. You will find that item on page 71. You have made a

statement to us giving a list of claims in connection with surveying work where you have given a certain allotment, as I understand it, and the work will require greater service than the allotment amounted to.

Mr. MACEY. Greater service than the contract provided for.

Mr. LITTAUER. These, then, become regular claims against the Government rather than deficiencies?

Mr. MACEY. They have always gone in deficiency bills.

Mr. LITTAUER. Have they been taken care of in years past in deficiency bills?

Mr. MACEY. Yes, sir.

Mr. LITTAUER. When did you send in the last lot of these claims?

Mr. MACEY. I do not know; I didn't look that up, because that item was not mentioned.

Mr. TAWNEY. What are the circumstances under which this liability was created?

Mr. MACEY. The Government entered into a contract with some deputy surveyors to survey a certain amount of public land, a certain number of townships.

Mr. TAWNEY. Did they contract beyond the amount of the appropriation?

Mr. MACEY. No; but they set an absolute limit on the amount of contract, for instance, \$5,000. In surveying these townships the deputy surveyor may incur a liability of two, three, or four hundred dollars over \$5,000.

Mr. LITTAUER. Incur a liability because you have a regular stated compensation for a certain amount of work?

Mr. MACEY. No; because under his contract he has to finish those townships that he has agreed to survey; he is paid so much per mile.

Mr. LITTAUER. So much a mile is paid for; that is the regulation, but not statutory.

Mr. MACEY. That is the contract; it is agreed to in the contract.

Mr. TAWNEY. The statute authorizes the contract.

Mr. LITTAUER. But places no limitation on the amount to be paid per mile.

Mr. MACEY. But the appropriation act does; the appropriation act for surveying provides how much we shall pay per mile.

Mr. TAWNEY. I think not; the acts appropriating money for the survey of public lands do not fix the amount to be paid per mile. I think that is statutory.

Mr. LITTAUER. The document says:

In this connection attention is called to the fact that although the relief granted in cases of this kind, through Congressional action, has heretofore been by an appropriation incorporated into the general deficiency act, an amount thus appropriated could not in reality be called a deficiency, for the reason that the failure of the deputy surveyor to receive his compensation was not due to a lack of sufficient funds appropriated for the survey of public lands, but to the fact above mentioned that the amount payable from that fund was limited by the estimated cost of the survey.

The actual cost was greater than the estimated cost?

Mr. MACEY. That is correct. We have now changed our policy and put in an estimated cost of the survey, allowing a latitude in that, that the deputy surveyor shall not exceed the amount of the contract by 10 per cent, which allows the auditor then to pay the amount of the survey without this difficulty.

Mr. LITTAUER. Are all your contracts made on the same basis?

Mr. MACEY. Yes, sir.

Mr. GRAFF. Why did you place in these contracts a limit of cost?

Mr. MACEY. I don't know why that was done. They put an absolute limit upon the amount of the contract. When the office knew, of course, that it was merely an estimate, and we put an absolute limit on, the auditor would not pay a cent more than the amount of the contract. This is a change that will allow a leeway of 10 per cent, so as to fix this difficulty that we have always been in. Of course it was always adjusted on the basis of so much a mile.

INDIAN AFFAIRS.

STATEMENTS OF MR. W. W. M'CONIHE, ACTING CHIEF OF FINANCE DIVISION, AND MR. GEORGE A. WARD, CLERK, LAND DIVISION, INDIAN OFFICE.

TRANSPORTATION OF INDIAN GOODS, PROVISIONS, AND SUPPLIES.

Mr. LITTAUER. We find here, at the bottom of page 75, an item for the necessary transportation of Indian goods, provisions, and other supplies for the Indian service for the fiscal years as follows: "For the year 1906, \$25,000." How does that arise?

Mr. McCONIHE. That, Mr. Chairman, arises in this way: The appropriation last year was \$200,000, and it is an appropriation that we can not estimate for exactly, owing to the fact that we transport a great deal of goods, and unforeseen emergencies arise; and also rates have increased somewhat this year.

Mr. LITTAUER. Do you mean rates of transportation by rail?

Mr. McCONIHE. Yes, sir.

I will go back and give you the amounts. In 1901 we had \$325,000, and we turned back \$108,000 of that as a surplus. In 1902 the committee saw fit to reduce the appropriation to \$250,000, and out of that \$250,000 we turned in \$46,000. In 1903 we had \$225,000, and we borrowed for 1904 \$20,000. The committee gave us that to go on to 1904 instead of a deficiency; and then, even then, we turned back \$22,000, showing that we really used less than \$42,000 out of the \$225,000 for 1903. That showed that our transportation was decreasing for a while. In 1904 our appropriation was \$200,000, plus \$20,000 that we got from 1903, making \$220,000. We turned back \$8,000 of that. For 1905 the committee reduced our appropriation to \$190,000 and gave us \$19,000 as a deficiency.

Mr. LITTAUER. What did you turn back?

Mr. McCONIHE. We did not turn any of that back.

Mr. LITTAUER. Are you really now transporting more goods?

Mr. McCONIHE. In this way, we are looking at the price of goods to-day. A man will offer us a certain line of goods in Chicago, St. Paul, or Omaha at a certain price, or he will give us the same goods delivered at the agency—we figure the rate between Omaha and the agency with our land grant, and we get a cut-off on that cheaper than he can give it to us. We find we can transport our goods in faster from a point of delivery than he gives us the goods himself at the point needed. Consequently, instead of the appropriation being

charged to the cost of the goods if they had been delivered at the agency, it is charged to our transportation account.

Mr. LITTAUER. Is that a new method of handling purchases?

Mr. McCONIHE. That is within the last two or three years; yes, sir. Commissioner Leupp is very desirous of getting the lowest prices on goods. The committee will therefore understand that we can not figure just how much transportation we are going to need when we make our estimates.

Mr. TAWNEY. You have had this policy in effect for about two years?

Mr. McCONIHE. About two years, I understand from the transportation department this morning.

Mr. TAWNEY. Do you get your goods cheaper by accepting bids and paying the transportation yourself than you would do if you paid the price of the goods delivered at the agency?

Mr. McCONIHE. Undoubtedly. This year we have been buying coal, and we have the option of the delivery at the agency or the school at a certain price. Another man will bid for us on coal delivered in Omaha or Chicago. I found that we would save from \$2 to \$2.25 on the Chicago delivery by transporting the coal ourselves.

Mr. TAWNEY. From Chicago?

Mr. McCONIHE. Yes, sir. One coal company offered us coal at \$3.15 f. o. b. Chicago—Fairmount coal. We added \$1.27 to that and it was about \$1.50 cheaper than that offered by the other contractors who bid at the school. That is one point, and there are numbers of others where we don't see, until we make our contract for the year for which the committee has given the appropriation, what the contingencies are that are going to arise against the appropriation.

Mr. TAWNEY. Under this antideficiency law it would be better to have a surplus, because you can not make a deficiency.

Mr. McCONIHE. No; unless we go to jail.

Mr. TAWNEY. And you don't want to encourage deficiencies or encourage going to jail?

Mr. McCONIHE. No; but we have thought that our \$200,000 ought to have been sufficient.

Mr. TAWNEY. How much have you for the next fiscal year?

Mr. McCONIHE. The committee has changed the title of the appropriation for next year; they have added our \$60,000 appropriation for telegraphing and purchase of Indian supplies—that is, they have combined that with our transportation of Indian supplies, which we estimated at \$200,000; and then they have put in three warehouses, at Omaha, St. Louis, and San Francisco, which they had heretofore appropriated for separately, at \$10,000. Now the appropriation will be for telephoning, telegraphing, and transportation for Indian supplies, consolidated, \$290,000. With that arrangement we may be able to save a little on telegraphing and add to transportation, or we may, as I say, be in a hole again.

Mr. LITTAUER. The year 1906 is practically ended. How much of this \$200,000 have you actually expended?

Mr. McCONIHE. All of it, sir. I took pains yesterday to go into our transportation room to see how much was actually unpaid in claims, and they told me there was \$22,000 on the table yesterday.

Mr. LITTAUER. Claims in excess of \$200,000?

Mr. McCONIHE. Yes, sir. I would add that they will probably need \$30,000 this year before they get through.

Mr. LITTAUER. Probably need it?

Mr. McCONIHE. \$30,000 instead of \$25,000.

Mr. LITTAUER. Did it seem so to you?

Mr. McCONIHE. Yes, sir.

Mr. LITTAUER. They have claims now amounting to \$22,000?

Mr. McCONIHE. Actually paid. You will see in our other estimates that our claims run back two or three years. We may hold something against the railroad companies—there may be three, four, or five thousand dollars for 1906 that will appear to us two years hence.

Mr. GRAFF. That grows out of controversies about the rates?

Mr. McCONIHE. Yes, sir. Some years ago, prior to 1898, I think, we contracted for all of the transportation of Indian supplies. After that we took up the matter ourselves and transported the goods ourselves, settling the bills here instead of with the contractor. We have saved a good deal of money in that way, the Government getting the benefit of the saving instead of the percentage and commission which went to the contractor under the old system.

Mr. LITTAUER. Are you the deputy commissioner?

Mr. McCONIHE. No, sir; I haven't that honor. I am chief bookkeeper, and acting chief of division in Mr. Slater's place, whom you perhaps know, the chief of the finance division. I gave you a letter of introduction from Major Larrabee.

Mr. LITTAUER. We have a submission here that came in for consideration in connection with the legislative bill, too late for action, relative to chief clerks of your bureau.

Mr. McCONIHE. Have you anything to say about that, Mr. Ward?

Mr. WARD. I had a talk with Major Larrabee about it some time ago, but he has not said anything to me about it recently. If you desire, I will call him up and talk to him over the phone about it.

Mr. LITTAUER. We would like to have some information as to the necessity of it for the coming fiscal year.

TRANSPORTATION FOR PUPILS, CARLISLE INDIAN SCHOOL.

Mr. LITTAUER. The only other item is in connection with—

Mr. McCONIHE. The Carlisle Indian School.

Mr. LITTAUER. For extra transportation?

Mr. McCONIHE. Yes, sir.

Mr. LITTAUER. That is necessitated by increase of cost.

Mr. McCONIHE. Yes; because Congress took up the rate bill; and just as soon as they heard that Congress was going to do certain things in connection with the rate bill they said that they would make the Carlisle pupils pay the full rate.

Mr. LITTAUER. What rate did they pay heretofore?

Mr. McCONIHE. Half rate.

Mr. LITTAUER. And now they are required to pay full rate?

Mr. McCONIHE. Full rate.

Mr. LITTAUER. Is there any contract?

Mr. McCONIHE. There is no contract. There was this concession by all the roads for the transportation of these pupils. West of Chicago, I understand that they have not put this into operation.

although I will not say so authoritatively; but from Chicago east they have charged the scholars full rates, and they carry about 1,000 pupils.

Mr. TAWNEY. Can they take away from the Government this concession on the land-grant roads?

Mr. McCONIHE. Not on the land-grant roads, sir. This is east of Chicago.

Mr. TAWNEY. I mean on the roads west; can they take away that concession?

Mr. McCONIHE. I don't think they can.

Mr. TAWNEY. I do not think so either.

Mr. McCONIHE. No more than they could for the movement of troops.

Mr. TAWNEY. The only question would be whether these were people that would come within the provisions of the grants.

Mr. McCONIHE. Yes.

Mr. TAWNEY. And I should say they would, because they are wards of the Government.

ANN FRANCIS, CHIPPEWA INDIAN WOMAN.

Mr. LITTAUER. Do you know what this means, at the bottom of page 79, that the appropriation contained in the act making appropriations for current and contingent expenses, and fulfilling treaty stipulations with Indian tribes for the fiscal year ending June 30, 1907, in behalf of Ann Francis, a Chippewa Indian woman, is hereby extended to and made available for the payment of the estimated first costs in the case of Francis against Francis, pending in the United States Supreme Court, in addition to the purposes specified in said act?

Mr. TAWNEY. I understand that. It does not involve any additional appropriation. Under the language of the law authorizing that appeal to be taken to the Supreme Court of the United States, and the payment of the expense on behalf of that Indian woman, they omitted to provide for the clerk's fees. The appropriation is large enough, but there is no provision for paying out of the appropriation the fees of the clerk of the United States Supreme Court. I went into that, some one bringing it to my attention. It is necessary to do this. The spirit of the law was that we were to defray all of the expenses for that Indian woman to prosecute the claim in the Supreme Court. We appropriated enough money to do it, but did not include authorization for part of the fees.

FIVE CIVILIZED TRIBES.

Mr. LITTAUER. Now, to return to the completion of the work heretofore required by law to be done by the Commission to the Five Civilized Tribes. Exclusive of salaries and expenses of Commissioners, your appropriation for this year was \$200,000. We gave you a deficiency of \$75,000, and you are now asking for a further deficiency of \$100,000. The Indian appropriation act has given you \$200,000 for the next fiscal year, hasn't it?

Mr. WARD. Yes.

Mr. LITTAUER. That was your estimate?

Mr. WARD. Yes, sir; that was our estimate.

Mr. LITTAUER. Why do you come now for an additional \$100,000?

Mr. WARD. By reason of the increased work caused by the act of April 26, 1906. The estimate was made long prior to the passage of that act. After the passage of that act there has been a lot of additional work required—for instance, in connection with the enrollment of minor children. The act provides that all minors living March 4, 1906, shall be enrolled and given allotments. It provides also for motions for rehearing and review in citizenship cases, and every fellow who has been affected is making a motion for a rehearing of his case and the delivery of deeds. Heretofore the deeds were delivered by the tribal authorities, and now by the community. And also in the transfer of names from the freedman's roll or any other roll of citizens by blood, that may be done under certain circumstances, they must show by documentary evidence that application was made for enrollment by blood within the time authorized by law.

That is an important thing with the freedmen in the Choctaw and Chickasaw nations, though not so much in the other nations, because in the other nations freedmen are members of tribes and share equally with the Indians, while in the Choctaw and Chickasaw nations they do not participate in the fund. If he has Indian blood, and is ultimately enrolled as an Indian by blood, instead of getting 40 acres of land he will get the same amount of land as the Indians.

Mr. LITTAUER. Will all of this extra work increase the expenditure one-half?

Mr. WARD. I think it will.

Mr. LITTAUER. How many years will it take to complete this work?

Mr. WARD. If there is additional legislation every year, we never will get through.

Mr. LITTAUER. According to our ideas here, probably \$2,500,000 to \$3,000,000.

Mr. WARD. I think it has cost in the neighborhood of that.

Mr. TAWNEY. Is this legislation the result of recommendations made by your Bureau?

Mr. WARD. The major portion of it; yes. Now, let me illustrate that: There are 1,081 people enrolled as Choctaw and Chickasaw freedmen, and it is reasonable to presume that under the new legislation a great many of those are going to attempt to be enrolled as citizens by blood.

Mr. TAWNEY. What is the distinction between citizens by blood and freedmen?

Mr. WARD. A freedman in the Choctaw and Chickasaw nations only receives 40 acres of land as an allotment and does not participate in the distribution of the tribal fund, while a citizen by blood receives an allotment of the value, under appraisement, that was fixed for distribution, of \$1,040; and it will run anywhere from 160 acres—that is, land appraised at \$6.50 an acre, which is the highest value—and the man who selects land of that class receives 160 acres, and the man who takes the other will receive 4,100 acres.

Mr. LITTAUER. Is there any time contemplated in the law when there should be a consummation of this legislation?

Mr. WARD. Yes, sir; I think the law provides now that the work shall be completed by March 4, 1907.

Mr. LITTAUER. Next March 4.

Mr. WARD. Yes.

Mr. LITTAUER. Will you have this work done by next March 4?

Mr. WARD. I don't think so.

Mr. LITTAUER. Why do you not come to us for an amount sufficient to finish it up?

Mr. WARD. We did not know how much extra legislation there would be. Take Senate bill 6255. If that is enacted into law, it is going to require a great deal of additional work to correct the roll, and every fellow is going to say that he is on the wrong roll.

Mr. LITTAUER. So far as law is now enacted, will this \$100,000 enable you to complete everything so as to get through by the 4th of March, as the law requires?

Mr. WARD. To complete the entire work in the Five Civilized Tribes?

Mr. LITTAUER. Yes.

Mr. WARD. No, sir.

Mr. LITTAUER. Why do you not ask for enough to complete that which the law requires you to complete?

Mr. WARD. I don't know how much it will cost; for instance, the coal lands yet to be sold. The law provides that the Secretary of the Interior shall investigate and report to Congress about these coal lands, and an appropriation is carried of \$50,000 for the work. The residue after the allotments are made is to be sold under existing law. We can not tell what the residue is until every fellow who is entitled to an allotment is given one.

Mr. LITTAUER. The law requires that this work shall be finished on the 4th of March, 1907.

Mr. WARD. That the rolls shall be completed at that time.

Mr. LITTAUER. And this appropriation that you are asking for now is to complete the rolls?

Mr. WARD. And to carry on the general work.

Mr. LITTAUER. So if we limit the expenditure up to the 4th of March, 1907, we would be limiting it within the provision of the present law for the completion of the work?

Mr. WARD. For the fiscal year ending June 30, 1907. Although the roll is to be completed under existing law by March 4, 1907, that does not mean that the work is going to be completed—that is, the enrollment. The work is being done hand in hand with the enrollment, allotment, appraisement, and everything else.

Mr. GRAFF. So the law itself does not contemplate that you shall finish all the work under that act?

Mr. WARD. Certainly not; that the rolls shall be completed, and after that date the Secretary of the Interior shall not have authority to add any name to the roll. In examining the Indian appropriation bill the other day I noticed an item there regarding survey and platting for town-site purposes, and every application requires an investigation—

Mr. GRAFF. You have had this work under way for eleven years, and it has cost about \$2,500,000, and you have no estimate to make at all of what it will cost you to finish the work or how many years it will take.

Mr. WARD. No, sir. It can not be done with new legislation coming in all the time. And if this bill that I mentioned becomes a law I doubt if the \$300,000 will be sufficient for next year.

About the chief clerk for the office, I will say that the truth is that the office is swamped. Major Larrabee and Commissioner Leupp have been practically working from about half past 8 until 6 o'clock every day, and the work of the office has greatly increased. Just to illustrate: I have been in the office for six years. When I came in we had about 40,000 letters that year. Last year we had over 110,000.

Mr. LITTAUER. What increase of cost have you had?

Mr. WARD. The force has been increased, but not in proportion to the increase of work. While the force has probably been increased, say 5 per cent, or 6 per cent, maybe, the work has increased 200 per cent.

I would like to say that if there is any doubt in the minds of the committee about the necessity of a chief clerk and about the deficiency appropriation, that Major Larrabee would like to be heard.

Mr. BRUNDIDGE. As I understand you, you seem to carry the idea that this new legislation makes the appropriation necessary, and keeps you from winding up your work. If that is the case, what makes your department keep on recommending new legislation? Why don't you agree upon some plan and settle it and stop the legislation?

Mr. WARD. This was added in Congress; I helped to draw this section. For instance, take section 4. That originally provided that no transfer could be made from one roll to another—that is, from the freedman's roll to the roll by blood. Congress added the provision, "unless it be shown by documentary evidence that the Commission to the Five Civilized Tribes actually received such application within the time prescribed by law." That permits every one of them who desires to have his name transferred to undertake to dispute the records of the Government by documentary evidence, and it necessarily follows that a great many, probably one-half, are going to try to have the names transferred.

Mr. LITTAUER. If we give you this additional amount, this work will go ahead so much faster?

Mr. WARD. Yes, sir. In 1903 we had to suspend the work in the Indian Territory on the 3d of June.

Mr. LITTAUER. Why did you not apportion your money so that it would continue available to the end of the year?

Mr. WARD. Mr. Bixby thought that he had enough money, but he did not have it, and the work was suspended a month.

POST-OFFICE DEPARTMENT.

STATEMENT OF MR. MERRITT O. CHANCE, CHIEF CLERK, ACCOMPANIED BY HON. P. V. DE GRAW, FOURTH ASSISTANT POSTMASTER-GENERAL; MR. GEORGE F. STONE, CHIEF CLERK OF THE SECOND ASSISTANT POSTMASTER-GENERAL; MR. CHARLES M. WATERS, SUPERINTENDENT SALARIES AND ALLOWANCES; MR. E. H. THORP, SUPERINTENDENT OF CITY DELIVERY, AND MR. W. M. MOONEY, ASSISTANT SUPERINTENDENT OF SUPPLIES.

RENT OF BUILDING FOR SUPPLIES AND MAIL-LOCK REPAIR SHOP.

Mr. LITTAUER. Mr. Chance, the first item on page 84 is to authorize an expenditure of \$750 from the unexpended balance of the appropriation of \$12,800 made by the legislative bill for rent of suitable

building for the storage of post-office supplies and rural free-delivery service. Have you not moved that? Did you not secure an appropriation in the deficiency bill to permit this removal?

Mr. CHANCE. To pay the expense of the removal; yes; but we found when we started to move that this provision was so worded that we did not think we could not use any of that money that we had for that purpose.

Mr. LITTAUER. When did the removal take place?

Mr. CHANCE. On April 16 of this year—just after the appropriation was made to defray the expense of moving.

Mr. LITTAUER. Then, it is the current year's appropriation act under which you want to have permission to use part of the unexpended balance to pay for this.

Mr. CHANCE. Up to the 1st of July.

Mr. LITTAUER. Of this year?

Mr. CHANCE. Yes, sir.

Mr. LITTAUER. It comes out of the current year's appropriation?

Mr. CHANCE. Yes, sir.

Mr. LITTAUER. It authorizes simply the use of a certain amount of the current year's appropriation for maintenance of this repair shop?

Mr. CHANCE. Yes, sir.

STEEL FILE BOXES AND CASES FOR THE DIVISION OF APPOINTMENTS.

Mr. LITTAUER. At the bottom of page 85, for steel file boxes and cases for the division of appointments, \$1,800. What is the necessity for that?

Mr. CHANCE. The First Assistant Postmaster-General asked me to answer for him in regard to that. It is for the purpose of adopting a certain file system for Presidential cases in the appointment of postmasters. He is desirous of adopting an up-to-date file system.

Mr. LITTAUER. You ask that as a deficiency for 1906. Before you could get this money the year would be up.

Mr. CHANCE. The reason we asked that is, that we could pay for that out of the miscellaneous expenses next year, but we would really not have enough money to pay for it.

Mr. LITTAUER. You want this for next year, not for this year?

Mr. CHANCE. Yes.

Mr. LITTAUER. You could not expend the money, if this bill should become a law on the 28th or the 29th of June.

Mr. CHANCE. We could put in an order for it. We did this because we knew that we could not pay for it out of next year's appropriation. It is an unusual expenditure.

Mr. LITTAUER. It is an unusual expenditure not calculated for in the estimate that you sent in this year under miscellaneous expenditures, and desired by the First Assistant Postmaster-General in order to bring about a more up-to-date system of filing.

Mr. CHANCE. Yes; so that the papers can be handled in better shape.

Mr. LITTAUER. Then, it should remain available during the year 1907, if given to you at all.

Mr. CHANCE. I think so.

Mr. LIVINGSTON. You could put in an order for it, however.

Mr. CHANCE. If the bill was passed before the 1st of July we could put in the order and use it this year, so far as that is concerned.

LABORERS AND CHARWOMEN, AUDITOR'S OFFICE, POST-OFFICE DEPARTMENT.

Mr. LITTAUER. We have had this matter up before in connection with the reduction of six laborers in the Auditor's Office of the Post-Office Department and the addition of six charwomen. The idea was to secure the concurrence of the Auditor in the request.

Mr. CHANCE. Yes.

Mr. LITTAUER. You have not secured that concurrence?

Mr. CHANCE. No; I had it before I came up, but they changed their mind about it.

Mr. LITTAUER. Consequently the 6 laborers are there, and now you want 6 additional charwomen?

Mr. CHANCE. They have laborers now there who are performing this work in a certain way.

Mr. LITTAUER. Those laborers are provided for in the legislative bill of 1907?

Mr. CHANCE. Yes, sir. There is no increase, I understand, in the laborers for the Auditor's Office, but the same laborers are provided for. They claim that they have not the laborers necessary to put on these floors. What I want is to get people there to scrub those floors and do the cleaning above the Post-Office Department.

Mr. LITTAUER. That is, there will have to be an additional force, leaving them the force estimated for which they claim they need for other kinds of work?

Mr. CHANCE. Yes.

Mr. LITTAUER. Which would result in an additional appropriation?

Mr. CHANCE. Yes, sir; I think it is \$1,440. I asked for the 6 laborers, but I find that if we get the charwomen, the scrubbers, that we could clean the whole building and keep it clean just as we do the Post-Office Department. The chief clerk of the Post-Office Department is really the custodian of the building; he has charge of the cleaning; but in moving down the Auditor took charge of his own cleaning.

Mr. LITTAUER. The cleaning work on these upper floors is cared for out of the Treasury Department appropriation.

Mr. CHANCE. That is for the sixth, seventh, and part of the eighth floors, and also part of the ninth—half of the eighth and half of the ninth.

Mr. LITTAUER. Is the work not properly carried out?

Mr. CHANCE. I think so; yes, sir; but you could see by going over the building that part of it is kept much cleaner than the other part.

Mr. LITTAUER. You are responsible for the care of the building and yet you have no control over the laborer force of the sixth, seventh, and part of the eighth floors, which are under the Treasury Department?

Mr. CHANCE. Yes, sir.

Mr. LIVINGSTON. What will become of those that work there now after you take charge of that?

Mr. CHANCE. Really there are not many people at work there now. They work there now when they haven't very much to do, but I suppose they do the best they can with the force they have.

The following letters were received in connection with the foregoing matter:

OFFICE OF THE POSTMASTER-GENERAL,
Washington, D. C., June 15, 1906.

Hon. J. A. TAWNEY,

Chairman Committee on Appropriations, House of Representatives.

SIR: Under date of the 11th instant, in a letter addressed to you, I urged the inclusion in the bill making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1907, of an item appropriating for the services of six additional charwomen in the Post-Office Department.

In accordance with the suggestion made by you to the chief clerk of this Department, I now have the honor to request that in the event the item in question is not included in the legislative act it be made an item in the general deficiency bill.

For your information, there is inclosed copy of my letter of the 11th instant, which sets forth in detail the need of the additional charwomen requested.

Respectfully,

GEO. B. CORTELYOU,
Postmaster-General.

JUNE 11, 1906.

Hon. J. A. TAWNEY,

Chairman Committee on Appropriations, House of Representatives.

SIR: In the original estimates submitted by this Department for inclusion in the bill making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1907, under the heading "Office of the Postmaster-General," appeared an item, "Six laborers, to be transferred from the Treasury Department, at \$660 each."

As was stated to the Committee on Appropriations, House of Representatives, at the time of the hearings on that bill, the chief clerk of the Post-Office Department, as superintendent of the building, is charged with the care and cleaning of the same. The sixth and seventh floors, however, occupied by the clerical force of the Auditor for the Post-Office Department, are cared for by laborers in the employ of the Treasury Department.

Inasmuch as the item in question has not been incorporated in the act as passed by the House of Representatives and the Senate, and as it is a physical impossibility to keep the Post-Office Department building in a cleanly and sanitary condition with the existing force of laborers at the command of the chief clerk and superintendent of the Post-Office Department, I desire to urge that there be included in the act by the conferees an item for "Six additional charwomen, at \$240 per annum, \$1,440."

Respectfully,

GEO. B. CORTELYOU,
Postmaster-General.

OUT OF THE POSTAL REVENUES.

STATIONERY FOR POSTAL SERVICE.

Mr. LITTAUER. On page 86, "Stationery for postal service, \$6,257." I take it for granted that this estimate was made at a considerably earlier date in the year?

Mr. CHANCE. Yes. I will ask the Fourth Assistant to handle that, as that is under his department.

Mr. LITTAUER. Mr. De Graw, have you spent all of your this year's appropriation?

Mr. DE GRAW. It is all spent but about \$200, and we have been holding that for an emergency.

Mr. LITTAUER. Your appropriation for next year will be available on the 1st of July, and in all probability this bill will not become a law sooner than forty-eight hours before that.

Mr. DE GRAW. That is the point, that we can not have this available before the 1st of July, and then we will have to go over until next year and run the risk, because we did not take this into consideration when we made our estimates of having a deficiency next year. Of course, if we could get our orders in now, or before the first of the fiscal year, we could use this and not make any deficiency.

Mr. LITTAUER. But in all probability you will not get it before the 1st of July.

Mr. DE GRAW. That is the point. If we can not get the money we will cut that out. If it can not be made available, there is no use of our having it. We put this in in April, and the requisitions have been piling up ever since.

Mr. LITTAUER. And the actual status of affairs is that you have practically exhausted the appropriation?

Mr. DE GRAW. That is it.

Mr. LITTAUER. What is your appropriation for next year?

Mr. MOONEY. Eighty-five thousand dollars.

Mr. LITTAUER. That is an increase of \$20,000 over this year.

Mr. MOONEY. Yes, sir.

Mr. LITTAUER. Then you will have to stock up from next year's appropriation.

INLAND MAIL TRANSPORTATION BY STAR ROUTES.

Mr. LITTAUER. We will now take up the next item, "For inland mail transportation by star routes, \$46,000."

Mr. STONE. Mr. Chairman, I represent the Second Assistant's Office to-day. I will say that this is necessary under our specific contract obligations, the contracts having been entered into under the general statute.

Mr. LITTAUER. Why did you not keep within the statute? What right have you to exceed the amount appropriated?

Mr. STONE. The general statute imposes upon the Postmaster-General the duty of providing for mail transportation, and many of these contracts are four-year contracts made prior—

Mr. LITTAUER. But in making your contracts why do you not keep within your appropriation?

Mr. STONE. Because many of the contracts are made two or three years prior to the time the appropriation is made. You will notice that we submitted our estimate originally for \$150,000 more than was allowed.

Mr. LITTAUER. When you found out that the law only allowed you \$7,300,000, instead of \$7,450,000, why did you enter into new contracts that would exceed the amount appropriated? This star-route service is absolutely discretionary with you?

Mr. STONE. Not entirely. You understand that one-quarter of these contracts are expiring every year. Last June a large number of contracts expired. Prior to that time we had begun advertising to relet that same service at an advanced rate of pay, so that we are compelled to maintain the service. You will notice that while

the cut in the appropriation was \$150,000, we are asking for a deficiency of only \$46,000, indicating that we did our best.

Mr. LITTAUER. But you could have followed the law and cut down the renewals of contracts to a point within the appropriation.

Mr. STONE. No; I apprehend not, without refusing to renew contracts that had expired, and under which we were carrying on the service previous to the making of this appropriation.

Mr. LITTAUER. Have you made no original contracts during the last year?

Mr. STONE. The contracts are pursuant to the general statute, which says that the Postmaster-General shall provide for transporting mail over post routes as often as he, having due regard to productiveness and other circumstances, shall think necessary.

Mr. LITTAUER. But that is all subject to appropriation. You can determine whether these routes shall be traveled over three times a week or five times a week or once a week.

Mr. STONE. Yes; that is possible; but where service has been running along for many years, daily service, and the contract has expired, it becomes necessary to renew it for daily service the same as before. I think it would really be impracticable to cut that down.

Mr. LITTAUER. Of course, your new service, the original service entered into, must amount to much more than the reduction made by Congress in the appropriation.

Mr. STONE. New post-offices are established. The question that we are confronted with is, Shall we provide the necessary mail facilities or not?

Mr. LITTAUER. Another question is, How many routes are you cutting off where rural free delivery is established?

Mr. STONE. We cut them off wherever we can when the routes are superseded by rural free delivery.

Mr. LITTAUER. How do you figure this additional amount?

Mr. STONE. On the orders issued up to May 31. The expenditures for the remainder of the fiscal year, to the end of the year, leave a deficiency of \$85,000 actually ascertained. From that there would be some deductions, ascertained up to the present time to be about \$36,000, which would leave a deficiency of \$46,000.

MAIL TRANSPORTATION BY STEAMBOAT AND RAILROAD ROUTES.

Mr. LITTAUER. Now, leaving that item, we go to the transportation of mail by steamboat and other power-boat routes, \$30,000, and for inland mail transportation by railroad routes, \$289,000.

Mr. STONE. Taking up the steamboat routes first, there we ask for \$30,000. I shall ask you to increase that to \$33,000, based upon a review of the figures yesterday, the original estimate having been submitted in March last. This is a similar item to the other in that it is a contract service. The contracts are made for four-year periods, and to cover one-quarter of the country every year. As they expire it is necessary to renew them.

Mr. LITTAUER. Why were you not able to keep within the appropriation; for the same reason that you gave in relation to the star routes?

Mr. STONE. Exactly.

Mr. LITTAUER. I think the star-route service is a rather different service from the transportation by steamboat and railroad routes. I thought that under the law you had to provide for transportation by rail, while the star-route service was discretionary.

Mr. STONE. The star-route service discretionary? No. We are required to provide all of this transportation.

Mr. LITTAUER. You can cut down the star routes.

Mr. STONE. But we have passed the star routes.

Mr. LITTAUER. I know that; but if Congress determined that \$5,000,000 was to be appropriated for star routes, and you understood that it was their determination to keep within that amount, you could cut down that sum.

Mr. STONE. We could cut down the furnishing of the service.

Mr. LITTAUER. I believe that the law is mandatory with reference to the railroad routes and the steamboat service.

Mr. STONE. Yes; the law authorizes and directs the Postmaster-General to adjust the compensation for transportation of mails on railroad routes according to the weights, and fixes the rates according to the weight.

Mr. LITTAUER. Why do you have a deficiency, if these amounts are fixed for a four-year term?

Mr. STONE. Because there is a weighing in some one of the four sections of the country every year. We are directed by law to take the weights and apply certain rates to those routes. When we do that, we reach a certain amount necessary to be paid. The appropriation being less than that, we have to come in and ask for a deficiency.

Mr. LITTAUER. Can you not determine that at the time of making the estimates?

Mr. STONE. Not necessarily. In this case, in submitting estimates for this particular year, we estimated that on the next weighing there would be an increase of 17 per cent during the four-year period. When we came to take those weights it proved to be 19.30 per cent. That of itself made a difference of \$214,000 in that one section.

Mr. LITTAUER. That is the bulk of this deficiency?

Mr. STONE. Yes, sir.

Mr. LITTAUER. What is the balance of it?

Mr. STONE. We are asking for \$289,000. The remainder may be explained by the statement that we are required to weigh these mails and provide our own employees to do it. The law formerly provided that the weighing should be for a period of not less than thirty-five consecutive days, but since then the law has extended the time to ninety days.

Mr. LITTAUER. This deficiency is for the current year. Now, you weigh different sections of the country every year. The amounts ascertained during the year 1906 would only become effective when?

Mr. STONE. July 1, 1907.

Mr. LITTAUER. Then why do you ask for this deficiency?

Mr. STONE. Because this relates to a previous weighing that was held in the spring of last year—1905—which went into effect July 1, 1905.

Mr. LITTAUER. Did you not know at the time the bill for the postal service was passed just what it would be?

Mr. STONE. No. The estimate made for this current year was not sent in last autumn, but the previous autumn.

Mr. LITTAUER. And not in time to get into the post-office bill?

Mr. STONE. No, sir. The estimates for the current year, 1906, are sent in in the autumn of 1904, and the weighing occurred in the spring of 1905.

Mr. GRAFF. You weigh only once in four years on each railroad?

Mr. STONE. Yes sir.

Mr. GRAFF. When the result of that is found on a particular road does that form the basis of the amount of mail for which you pay that road for four years?

Mr. STONE. Yes; for the following four years. We do not weigh on a particular railroad by itself. For purposes of weighing, we divide the United States into four sections, and all the roads in one section are weighed together, when the weights are ascertained. Say, this spring, on all of the routes in one of those sections the pay is adjusted from the following 1st of July and fixed for the following four years.

Mr. GRAFF. How do you separate the amounts—that is, the basis upon which each particular road is paid?

Mr. STONE. Each road is weighed by itself, the mail being put on and off, and each road is adjusted by itself.

Mr. BRUNDIDGE. In what season of the year do you weigh?

Mr. STONE. In the spring, generally, from the latter part of February or the 1st of March, and continuing, under the present law, ninety days.

Mr. GRAFF. If you weigh on a road at the beginning of a four-year contract during the first year, is that road paid on the basis of that first year's weighing?

Mr. STONE. Yes, sir; if the weighing is completed in the spring—that is, just prior to July 1 of any year—the pay begins on the July 1 following the weighing.

Mr. GRAFF. And on that basis it is fixed for four years?

Mr. STONE. Yes; so that whatever increase there may be in the weight of mail the Government gets the benefit, because the pay is not increased until the next weighing—four years later.

Mr. LITTAUER. This deficiency arises because your estimate was made in the fall of 1904, and the weighing took place in the spring of 1905, under which the new contracts were entered into after the 1st of July, 1905, and they showed this deficiency?

Mr. STONE. Yes.

Mr. LITTAUER. And the deficiency was because the percentage of increase was greater than you had figured?

Mr. STONE. Exactly.

REGULATION, SCREEN, OR OTHER WAGON SERVICE.

Mr. LITTAUER. We will now go to the "Regulation, screen, or other wagon service, \$56,000." What is that for?

Mr. STONE. After our estimate was submitted for 1906—you will notice that it was \$1,270,000—the appropriation was cut \$150,000 on the strength of additional legislation that went into the bill providing for the establishment of tunnel service in the city of Chicago, which it was estimated would largely reduce the wagon service when

it took effect. We find that the tunnel service, however, has not yet been put in effect, and will not be within this fiscal year. Therefore the wagon service has had to continue, which has caused this deficiency.

Mr. LITTAUER. What have you expended for the tunnel service?

Mr. STONE. Nothing.

Mr. LITTAUER. And the reduction that was contemplated because of that service has not taken place?

Mr. STONE. Has not taken place.

Mr. LITTAUER. This is all in Chicago?

Mr. STONE. All in Chicago.

PER DIEM ALLOWANCE, ASSISTANT SUPERINTENDENTS, RAILWAY MAIL SERVICE.

Mr. LITTAUER. The next is "Railway mail service: For per diem allowance of assistant superintendents, \$3,000."

Mr. STONE. That is an apparent rather than a real deficiency. This item was segregated in the appropriation bill for this year for the first time. Formerly there was an appropriation for per diem allowance of assistant superintendents, \$30,000, of which not exceeding \$5,000 could be expended for the other expenses not covered by per diem. The committee in making appropriation for the current year segregated that, making the per diem \$25,000 and the other expenses \$5,000. We did not need as much for the other expenses, and there will be an unexpended balance of approximately \$3,000. We were not, however, able to use that unexpended balance for the per diem account; hence we asked for this.

TRANSPORTATION OF FOREIGN MAILS.

Mr. LITTAUER. The next item is for transportation of foreign mails.

Mr. STONE. Two hundred and sixteen thousand dollars. The foreign mail expenditures are based upon weight. The mails are weighed on every trip, and the pay adjusted at the rates fixed.

Mr. LITTAUER. How do you know that you are going to have this deficiency?

Mr. STONE. In this way: That the pay for the first half of the fiscal year, on which the accounts are adjusted—

Mr. LITTAUER. The first half of the year? If the weight in the second half is as great, then you will need this allowance?

Mr. STONE. Exactly; and experience has shown that the second half is fully as large as the first half. We are assuming that those weights will continue.

Mr. LITTAUER. Why would it not be better to wait until you know the exact deficiency, if any, after the 30th of June?

Mr. STONE. Immediately after the close of June all of these accounts will be coming in. They will be tendered to us in July, and it will be necessary to pay them. They all relate to this fiscal year, and it has been customary to submit this—

Mr. LITTAUER. Of late years have you been able to cover in any balances?

Mr. STONE. On this item I think not; I think there was a slight deficiency last year.

CANCELING STAMPS FOR RURAL LETTER CARRIERS.

Mr. LITTAUER. The next item is, "For canceling stamps for rural letter carriers and rural postal stations, and ink for use in connection with such stamps, on account of the fiscal year 1903, \$2,566.40." That is a claim. You have used all this material?

Mr. DE GRAW. Yes, sir; that has been used.

Mr. LITTAUER. It was used, but it was used not in accordance with any statutory provision, but outside of it?

Mr. DE GRAW. Yes, sir.

Mr. LITTAUER. Then, this is a claim?

Mr. DE GRAW. Yes, sir; a claim of the Philadelphia Supply Company. By figuring out the difference between the first proposition they made and the second one we reduced the claim from \$3,644.20 to \$2,566.40. We took this action at the suggestion of the Comptroller. He thought this was the proper way to do it.

Mr. LITTAUER. The Comptroller?

Mr. DE GRAW. Yes, sir; we asked him how to settle this matter, and he said to take it up with Congress, and, as we understood, in a deficiency item, because it should have been paid out of the appropriation of 1901-2, but the claim did not materialize until after that time, and then the Auditor refused to permit us to pay it.

Mr. LITTAUER. Our understanding of this is that it is for the fiscal year 1903 and is a claim.

Mr. DE GRAW. That is right.

Mr. LITTAUER. You could not have paid it out of your general fund if it had come in in time, could you?

Mr. DE GRAW. No, sir; not according to the Auditor, because there was some irregular proceeding about it.

Mr. LITTAUER. And consequently it becomes a claim and not a deficiency. Is there anything further which you desire to say to the committee?

REIMBURSEMENT OF POSTMASTER IN ALASKA.

Mr. DE GRAW. There was another claim for the reimbursement of the postmaster and acting postmaster in Alaska for moneys paid—\$163 to rural carriers in the year 1901-2. That is a claim also.

Mr. LITTAUER. Is there anything further you desire to say to the committee, Mr. Chance?

Mr. CHANCE. No, sir.

Mr. LITTAUER. I think we have all the information needed from the Post-Office Department.

REIMBURSEMENT OF POSTMASTERS AT TONOPAH AND GOLDFIELD, NEV.

Mr. WATERS. There is one item of \$5,000 to reimburse the postmasters at Tonopah and Goldfield, Nev.

Mr. LITTAUER. That is the item, "To reimburse the postmasters at Tonopah and Goldfield, Nev., for expenditures for clerk hire, rents, fuel, light, and miscellaneous items in excess of the authorized allowances during the fiscal year, and for necessary expenses during the remainder of the fiscal year, \$5,000." You have, as I understand it, certain authorized expenditures for allowances of this character?

Mr. WATERS. Yes, sir.

Mr. LITTAUER. Now, those expenditures, because of the circumstances there, have been in excess of those authorized by law?

Mr. WATERS. Yes, sir.

Mr. LITTAUER. We can not appropriate in a deficiency bill for anything that is not authorized by law.

Mr. GRAFF. The trouble is that existing law limits the amount allowed?

Mr. WATERS. To \$1,000 for each clerk, and we could not secure clerks at that price.

Mr. GRAFF. Out there?

Mr. WATERS. Yes, sir. While Goldfield was a fourth-class office the clerks received money—where they got it I do not exactly know—not less than \$4 a day for clerical work in that office, and they did not work more than eight hours a day.

Mr. LITTAUER. Have you authorized the postmaster there to pay additional clerk hire?

Mr. WATERS. No, sir.

Mr. LITTAUER. Has he done it?

Mr. WATERS. The vouchers on file in the Auditor's office indicate that he has.

Mr. LITTAUER. He has done so?

Mr. WATERS. He was obliged to do so in order to conduct his office.

Mr. LITTAUER. He did it on his own responsibility, without authority of law?

Mr. WATERS. I so understand.

AGRICULTURAL DEPARTMENT.

STATEMENT OF MR. A. ZAPPONE, CHIEF AND DISBURSING CLERK, ACCOMPANIED BY DR. WILLARD D. BIGELOW, CHIEF, DIVISION OF FOODS, AND DR. WALTER H. EVANS, OFFICE OF EXPERIMENT STATIONS.

CONTINGENT EXPENSES.

Mr. LITTAUER. On page 89 of the bill there is an item "Contingent expenses: To pay the claims set forth on page 26 of House Document No. 861 of this session, on account of contingent expenses. Department of Agriculture, for the fiscal year 1904, \$156.26." You had an appropriation of what amount?

Mr. ZAPPONE. Thirty-seven thousand dollars for that particular year, 1904, and I have here a list of these small claims, which amount to \$156.26. The balance remaining under that appropriation to-day is 23 cents—too small to pay any one of these claims.

Mr. LITTAUER. How could you enter into such expenditures?

Mr. ZAPPONE. These expenditures were all entered into at a time when there was sufficient money. I will give you the dates of some of these orders. The first claim is for \$3.75, and it was ordered in March, 1904, and June 30 was the expiration of that fiscal year.

Mr. LITTAUER. You keep books?

Mr. ZAPPONE. Yes, sir; we keep books, but there are certain expenditures that can not be anticipated—expenses for telegraphing, freight, and expressage. This entire amount is very small, and it is to pay 13 claims, the largest of which is something like \$11. They all came in after the expiration of the fiscal year, some of them six months after, only to find that there was not a sufficient amount to pay them. They tried to allot this small appropriation, but these

unforeseen claims for telegraphing, of which I think there are four or five, make up a large portion of this amount.

Mr. LITTAUER. You claim that these unforeseen expenditures for telegraphing, expressage, and freight came in at the end of the year in such a manner as to wipe out the balance without you took out other expenditures which you had contracted for?

Mr. ZAPPONE. Yes, sir. When these claims came in we found that the appropriation was exhausted.

Mr. LITTAUER. How had the unforeseen expenditures arisen?

Mr. ZAPPONE. They arose because they had sufficient money when the supplies were ordered, but in allotting this small amount, \$37,000, you have to set aside what you believe to be a proper amount for telegraphing, expressage, and freight. Now, those items vary every year, and, while these expenditures were all incurred before the time, I can readily see how they were incurred, and certainly it looks as though the Government, in a way, was morally bound to recognize the small claims of the merchants here in Washington.

It is a very small amount, and the people who acted in the capacity of drawing the orders and setting aside the amounts did so in their very best judgment. This item was submitted last year. I am a new man as disbursing officer, and I beg to say that if you will enable me to clean up these small items there will be nothing more hereafter.

Mr. LITTAUER. You now apportion the contingent fund?

Mr. ZAPPONE. Yes, sir; and of course it is also a penal offense to create a deficiency. I want to say this, that \$37,000 was appropriated for 1904. You appropriated the same amount for 1905. What was the result? Toward the end of that fiscal year it was seen that there would be a deficit. Thirty-seven thousand dollars is hardly enough for all the expenditures of the Department of Agriculture under "contingent expenses." Last year they passed a deficiency item for \$2,000, making that item \$39,000, which just pulled us through, the balance being very small.

Mr. LITTAUER. What is the appropriation this year?

Mr. ZAPPONE. This year it is \$37,000 again.

Mr. LITTAUER. Will you get through with that amount?

Mr. ZAPPONE. Yes, sir; I will see that we do.

LIBRARY CLAIM.

Mr. LITTAUER. The next item is a library claim?

Mr. ZAPPONE. Yes, sir; that is clearly a technical matter, involving the Comptroller of the Treasury. For some time the library has been in the habit of getting bids in December of each year for publications for the next calendar year, beginning January 1, but in making payment for those publications they have always divided up the bills—that is, the first six months, from January 1 to June 30, they paid in that particular fiscal year, and the next six months they paid from the following fiscal year. They pursued the same course in this particular case, but when the account was sent to the Comptroller the Comptroller said this is an expense against that year in which it was ordered and not against the next year. In other words, if a publication is issued by the calendar year, and if you place the order in January, then you should pay that entire subscription. I think that is the decision.

Mr. LITTAUER. And when you found that it was chargeable to the past year the past year's balance had been exhausted?

Mr. ZAPPONE. Yes, sir; it was purely a technical matter.

LABORATORY CLAIM.

Mr. LITTAUER. The next item is a laboratory claim.

Mr. ZAPPONE. I will ask Doctor Bigelow to explain that.

Doctor BIGELOW. In the administration of the import-food law it is our custom to request samples from certain invoices, to be taken by the customs officers and forwarded to the laboratories. That is working very well now in the ports where we have laboratories. There was one case that occurred at San Francisco before our laboratory at that port was established where an injustice was done, owing, apparently, to a misunderstanding. A shipment of wine was imported and we requested that two quarts of each of two lots from this shipment be sent to our laboratory.

Mr. LITTAUER. Was the wine shipped in quarts?

Doctor BIGELOW. In barrels.

Mr. LITTAUER. And you took 2 quarts from the barrels for examination?

Doctor BIGELOW. Yes, sir; the barrels were tapped.

Mr. LIVINGSTON. You took 4 quarts?

Doctor BIGELOW. Yes, sir; two quarts from each. Now, according to the directions which we had given and which had been sent out from the Treasury Department this wine should have been then delivered to the consignee, but owing to some misunderstanding this was not done. All of the shipment but three barrels was sent to the consignee, but three barrels were sent to the appraisers' stores and three samples instead of two were sent to our laboratory. We did not know that the three barrels were sent to the appraisers' stores and we did not learn of it for a considerable time, until a complaint was made by the importer. The wine spoiled while it was there.

Mr. LITTAUER. Spoiled?

Doctor BIGELOW. Yes, sir. The barrels were tapped and kept in a warm place. Our inspection showed that the wine was in a good condition and suitable for admission. The rest of the wine was in a good condition, but they put in a claim for damages.

Mr. LITTAUER. While the casks were in the appraiser's stores did not the owner attempt to get them out?

Doctor BIGELOW. Not for a considerable time. After a while he did, and by that time the wine had spoiled.

Mr. LITTAUER. Was it not due to his negligence?

Doctor BIGELOW. No, sir; I do not think so. If he had made an attempt they would have waited until we released the wine. They would have transmitted the request for the wine to us.

Mr. LITTAUER. Why did you not take action on the samples you took out?

Doctor BIGELOW. We did.

Mr. LITTAUER. Did you not report to the appraiser?

Doctor BIGELOW. We reported, but supposed that the wine had gone into the consignee's hands. It was some time before it was reported. That is, we had to wait until the papers came to Wash-

ington and went out again. That took, I suppose, between two and three weeks. I do not understand why the wine should have spoiled.

Mr. LITTAUER. Whose fault was it that the barrels got into the appraiser's stores?

Doctor BIGELOW. The fault of a misunderstanding at the port of San Francisco, as I understand it.

Mr. LITTAUER. Whose fault does it come down to, the men in the appraiser's office?

Doctor BIGELOW. Yes, sir; or the collector's office.

Mr. LITTAUER. Or the agent of the Department of Agriculture?

Doctor BIGELOW. No; it was not our agent. We had requested the Treasury Department to notify the collector of customs that only the samples we requested should be shipped, and the rest of the shipment should go to the consignee.

Mr. LITTAUER. How is it, then, that the Department of Agriculture comes to us and asks for this allowance? Why is it not a proper matter for the Treasury Department?

Doctor BIGELOW. The samples were taken at our request.

Mr. LITTAUER. But the casks were not left in the appraiser's stores at your request?

Doctor BIGELOW. No, sir.

Mr. LITTAUER. And the damage occurred there?

Doctor BIGELOW. Yes, sir. The law is enforced under the Secretary of Agriculture, and it seemed proper that the request should be made by that Department. More than that, the court has decided that any damage done to shipments which damage results from the inspection law is properly charged to the Department of Agriculture.

Mr. LIVINGSTON. That is the case referred to on page 90 of the bill?

Doctor BIGELOW. Yes, sir.

Mr. LIVINGSTON. Here is the language—"that the expenses of the storage of goods detained under the pure-food law should be borne by the Government."

Mr. LITTAUER. If any damage results during storage.

Mr. LIVINGSTON. These goods were there awaiting investigation.

Mr. LITTAUER. If the law had permitted the payment of such damages, you would have paid them?

Doctor BIGELOW. Yes, sir. We would have paid it if the claim had been made while we had the money—before the end of the year. It would have been considered a proper claim.

Mr. LITTAUER. Could you have paid it under the law if you had a balance?

Doctor BIGELOW. No; I believe not.

Mr. ZAPPONE. That is a claim. I have here the correspondence, which I have read over very carefully, and which consists of some 5,000 words or more. There was an apparent negligence on the part of the officers of the Government—perhaps the Treasury Department, and also the Department of Agriculture due entirely to misunderstanding.

This misunderstanding arose in this way: The Bureau of Chemistry, as I understand, wanted merely some small samples, 2 quarts from each cask, making 4 quarts in all, the balance of the consignment to be turned over to the consignee, which was not done. While they were making the tests, which probably took, how long I do not

know, and when the wine was turned over to this man he found that it had spoiled in the appraiser's stores. He made a claim. The Secretary of Agriculture told him that he could not entertain a claim, as the wine had been turned over to him; but he came back to the Department and presented it in a very equitable light, we thought, and we directed him to turn back those casks to the appraiser's stores to be destroyed before the Department would entertain any claim. We did not want him to have the wine and also the claim. He did that. He turned it all back to the collector of customs, and it was destroyed. Then he renewed the claim, but the question of a claim came up, and under the law we have no right to pay a claim. Now, the French ambassador has taken the matter up.

Mr. LITTAUER. It is a meritorious claim that can not be paid under the provisions of law, and you need to have a bill introduced in Congress for Congressional consideration to pay this claim. It is not a deficiency in any sense.

Mr. ZAPPONE. In a certain sense it may not be a deficiency, but it is due to the action of the two departments in carrying out the provision of the law of Congress. We stand in a peculiar position with the French Government. Here is all this mass of correspondence between the State Department and the French ambassador, and if we referred the matter to the Court of Claims they could not do any more, and we would have to repeat the same thing which we have said to you. It is just a small matter, and I feel that if it is cleaned up it will be a very wise thing, if you will pardon me for saying so.

CLAIM, AGRICULTURAL EXPERIMENT STATION, HAWAII.

Mr. LITTAUER. The next item is, "Agricultural experiment stations. Hawaii, to pay claims of Jared G. Smith, temporary special disbursing agent, Department of Agriculture, incurred in March, April, May, and June, 1905, for reimbursement of expenses in completing the construction of a fireproof office and laboratory building for use of the Department, and for a residence for their chemist, four claims, aggregating \$1,873.86."

Mr. ZAPPONE. I will ask Doctor Evans to explain that item.

Doctor EVANS. I think I can explain that item in this way. We are operating an experiment station in Hawaii, and we have been trying for a long time to get the Territorial authorities to cooperate with us. They gave the land on which the station is located, and at the last session of the legislature a bill was introduced and passed one of the houses appropriating \$6,000 for a fireproof laboratory and office building and \$1,500 for the residence of the chemist. The amount was afterwards cut down, without changing the specifications in the least, to \$3,000.

Mr. LITTAUER. The amount appropriated was cut down?

Mr. EVANS. Yes, sir; without changing the specifications.

Mr. LITTAUER. Why did you not change the specifications when the appropriation was reduced?

Doctor EVANS. The specifications were prepared in Hawaii. It was not our money at all. It was the money of the Territory of Hawaii and they were cooperating with us in this matter. After this \$3,000 was appropriated, which called for a fireproof building to be built of reenforced concrete, our special agent conferred with the authorities there, the superintendent of public works and the

attorney-general of the Territory, and they held that he must go ahead and spend the money or lose the appropriation. He went ahead and constructed the building as far as the money would go.

Then from the \$15,000 which is appropriated by Congress for conducting investigations in Hawaii he completed the building. The building was absolutely necessary. We had no place that was fire-proof, no adequate quarters, and in doing this he spent more of the general appropriation than he would have done otherwise. The building is 25 feet by 65 feet, of reenforced concrete, with corrugated-iron roof, and when I was there last year they told me it was very much cheaper than they really expected to build it for.

Mr. LITTAUER. Which is the part that concerns us?

Doctor EVANS. The result was that he used of his appropriation an amount that resulted in a deficit of \$1,873.86 at the end of the year.

Mr. LITTAUER. Did not he know that he was going to have a deficit?

Doctor EVANS. Under the law he is authorized and permitted to construct laboratories and make repairs, etc., and he thought that he was warranted in building this building, and the officials there insisted that the building must be constructed and completed.

Mr. LITTAUER. But his instructions must surely place a limit as to the amount he can spend?

Doctor EVANS. His limit was \$15,000 plus the sales funds, which is an intangible amount. You can not tell what that is going to be. One year it is two or three thousand dollars and another year it is very much less. He may have been expecting to do this from the sales funds. He has had the sales funds amount to almost \$3,000—twenty-six hundred and some odd dollars. He is permitted to use the sales funds of the station for any of the general purposes of the station.

Mr. LITTAUER. He was building there a laboratory, and also a residence for the chemist?

Doctor EVANS. Yes, sir; two separate propositions; \$1,500 for one and \$3,000 for the other.

Mr. LITTAUER. Who is your representative there?

Doctor EVANS. Mr. Jared Smith.

Mr. LITTAUER. In other words, he has built a house for himself and has exceeded the limit in building it?

Doctor EVANS. He has built the house for the chemist. The deficit was made in building this office building and laboratory. The residence was not for himself; it was for the chemist of the station, Doctor Shorey.

THE DEPARTMENT OF COMMERCE AND LABOR.

LIGHT-HOUSE ESTABLISHMENT.

STATEMENT OF LIEUT. COL. DANIEL W. LOCKWOOD, ENGINEER SECRETARY, ACCOMPANIED BY CAPT. URIEL SEBREE, NAVAL SECRETARY.

CAPE MENDOCINO LIGHT STATION.

Mr. LITTAUER. On page 93 of the bill there is the item, "Cape Mendocino light station, California: For rebuilding of keeper's dwelling, \$5,400." What is the necessity for that?

Colonel LOCKWOOD. It was wrecked in such a way by the earthquake that it is unfit for repair; it is wrecked beyond repair.

Mr. LITTAUER. You have a fund for repairs, but not for rebuilding?

Colonel LOCKWOOD. Yes, sir; that is the situation.

Mr. LITTAUER. How was it wrecked?

Colonel LOCKWOOD. By the earthquake.

Mr. LITTAUER. What is the nature of the damage?

Colonel LOCKWOOD. The details are not given, but it was cracked and shaken to pieces.

Mr. LITTAUER. Who has examined it?

Colonel LOCKWOOD. The engineer of the district, Major McKinstry.

Mr. LITTAUER. And he reports to you that the building is unfit for repair and needs rebuilding?

Colonel LOCKWOOD. Yes, sir.

Mr. LITTAUER. What is the character of the building—stone or wood?

Colonel LOCKWOOD. I do not recall.

Captain SEBREE. The foundation and cellar are stone, and the rest of it is wood, according to my recollection. It has been eight or ten years since I was there.

Mr. LITTAUER. Where is it with reference to Point Arena light station?

Captain SEBREE. That is an entirely different place; it is about 100 miles away.

POINT ARENA LIGHT STATION.

Mr. LITTAUER. But the same facts apply to the Point Arena light station as to the Cape Mendocino light station?

Colonel LOCKWOOD. There the buildings were brick, the tower was brick, and the whole thing is gone. The whole station has got to be rebuilt. The engineer says that the first-order lens is wrecked beyond repair. The tower built of brick is cracked in five places horizontally and three places vertically, and it is liable to fall, and must be taken down.

Mr. LITTAUER. Is there a light there now?

Colonel LOCKWOOD. We have a temporary light there.

Captain SEBREE. A small light put upon the fog signal.

Colonel LOCKWOOD. This is a first-order light, one of the important ones on that coast.

Mr. LITTAUER. On what does the Department base the cost?

Colonel LOCKWOOD. We hope that this new tower will be of steel construction, entirely of steel.

Mr. LITTAUER. Who framed this estimate; was it framed here in the Bureau?

Colonel LOCKWOOD. The engineer out there submitted his estimate, and it was revised in the Board's office.

Mr. LITTAUER. Is it intended to change the character of the light station in any way or simply to replace it with one of steel construction instead of brick?

Colonel LOCKWOOD. It is practically to replace the old one. The lens is wrecked beyond repair, and it is proposed to put in a modern lens. The items here comprise in number only a small part of the number that were injured to a greater or lesser extent by this earth-

quake, but where the work can be done under the general appropriation for repairs they were not put in.

Mr. LITTAUER. Will there be much work on the Pacific coast in your service occasioned by the earthquake?

Colonel LOCKWOOD. As near as I can recollect, about \$30,000 in the way of ordinary repairs to be paid from the general appropriation due to this earthquake.

SOUTHAMPTON SHOAL LIGHT STATION.

Mr. LITTAUER. The next item is for extraordinary repairs at the Southampton Shoal light station.

Colonel LOCKWOOD. That means repairs that are too extensive to be paid for from the general appropriation for repairs in the ordinary way. The earthquake struck that structure, and it is necessary to secure the foundation by a steel reenforcement and ripraps.

Captain SEBREE. That is a new light.

Mr. LITTAUER. When was it built?

Captain SEBREE. It was built about six or eight months ago.

Mr. LITTAUER. Is there any reason for this special appropriation? Can you not take that out of the general fund?

Colonel LOCKWOOD. It is larger than the general fund could stand, and that is the reason why we put it in.

APPROPRIATION FOR REPAIRS FOR 1907.

Mr. LITTAUER. How much is your appropriation for repairs for 1907?

Colonel LOCKWOOD. The House bill appropriated \$740,000 and the Senate put it up to \$800,000.

Captain SEBREE. And the estimates were for \$900,000.

POINT ARENA LIGHT STATION—COST OF CONSTRUCTION.

Mr. LITTAUER. Have you any idea what the original cost of building the Point Arena light station was? I want to get some idea of your estimate.

Colonel LOCKWOOD. I could not give you that information. I neglected to look it up. It dates away back, and it would be a good deal of trouble to find it.

Mr. LITTAUER. How does that estimate compare with what you usually expend for such a light station?

Colonel LOCKWOOD. The appropriation for establishing the Hillsboro Inlet light, down in Florida, was \$90,000. That was an iron light-house, not steel.

Mr. LITTAUER. In the judgment of your Board, this is not an excessive amount to expend there?

Colonel LOCKWOOD. No, sir.

BONITA POINT LIGHT STATION.

Mr. LITTAUER. The next item is "Bonita Point light station, California: For rebuilding of double dwelling for assistant light keepers, \$6,000." What happened there?

Colonel LOCKWOOD. It was shaken down.

Mr. LITTAUER. That is a small amount; can not you pay that out of your general appropriation?

Colonel LOCKWOOD. That is rebuilding. You understand we can not rebuild from the repair fund.

Mr. LITTAUER. Six thousand dollars is an ordinary sum for rebuilding such a building?

Colonel LOCKWOOD. It is for a keeper's double dwelling on that coast.

POINT PINOS LIGHT STATION.

Mr. LITTAUER. The next item is "Point Pinos light station, California: For rebuilding of light station, \$19,500."

Colonel LOCKWOOD. That means the construction of a new tower of brick.

Mr. LITTAUER. Did the old one go down? Is the light in service?

Colonel LOCKWOOD. We have a temporary light there, but this tower was shaken to pieces, and so it has to be taken down and a new one built in its place.

Mr. LITTAUER. Who made this estimate?

Colonel LOCKWOOD. The engineer, Major Kinsey, in San Francisco.

BUREAU OF CORPORATIONS.

STATEMENT OF MR. HERBERT KNOX SMITH, DEPUTY COMMISSIONER.

REAPPROPRIATION OF UNEXPENDED BALANCE.

Mr. LITTAUER. I notice that you ask us to practically reappropriate the unexpended balance of appropriation for your Bureau for the coming year?

Mr. SMITH. Yes, sir.

Mr. LITTAUER. You wish to have this unexpended balance reappropriated for the needs of your Department for next year. Are you short?

Mr. SMITH. We will be short next year if this amount is not reappropriated.

Mr. LITTAUER. You ask this for the fiscal year 1907?

Mr. SMITH. Yes, sir. We would be short, as near as we can estimate the work, if this were not reappropriated.

Mr. LITTAUER. How much will this amount to?

Mr. SMITH. As near as we can estimate, the unexpended balance will be \$79,000 on July 1. That, of course, I should explain. As possibly you may remember, when I appeared before the committee last year, I laid stress upon the difficulty of estimating the expenses of the Bureau when I was urging the appropriation of a lump sum. Possibly you may remember, when I appeared before the committee last year, we had in mind investigation of steel, completion of the beef investigation, investigation of oil, sugar, and tobacco. The steel investigation was quite inexpensive, because we were furnished the

work by the United States Steel Corporation, and as yet we have had to expend almost nothing. If we had done the work, it would have cost a good many thousands of dollars. In the tobacco investigation we did most of the work that we intended.

The sugar investigation we had to hold up, and part of the tobacco investigation, because of the immunity decision, until it was determined just how we stood on that matter. Then, when the special developments come out in regard to the discrimination in the transportation of oil, the attention of the entire Bureau had to be given to that, and we could not really undertake another investigation at that time. The result has been that we have not done as much work as we expected. That shows the difficulty of estimating beforehand.

Mr. LITTAUER. You have had for at least two years an appropriation of \$125,000?

Mr. SMITH. Yes, sir.

Mr. LITTAUER. This is for the special agents, attorneys, and examiners?

Mr. SMITH. Yes, sir.

Mr. LITTAUER. Do you not feel that one year with another \$125,000 will be sufficient for that purpose?

Mr. SMITH. No, sir; I think not. The past two years have been abnormal because it is a new Bureau, and we have run up against these legal questions like the immunity question, and we feel now that those questions are settled and we can get the Bureau organized so that we can handle the work and will need all the money estimated to carry on the work started and held up.

Mr. LITTAUER. That means that last year you expended but \$50,000 and the next year you will expend \$200,000?

Mr. SMITH. Fifty thousand dollars out of this fund. Of course we have another fund, the statutory fund.

Mr. LITTAUER. You think that you can expend \$200,000?

Mr. SMITH. Yes, sir; if we carry out the work we intend to do we shall. The steel work is a vast job, and when we get our men working, instead of having the United States Steel Corporation furnish the figures, it is going to be very expensive, and similarly with the tobacco and sugar investigations.

Mr. BRUNDIDGE. Did the United States Steel Corporation do the work that your men should have done? Is that corporation supplying you with the information upon which to make a proper investigation?

Mr. SMITH. Yes, sir; they furnished us with a lot of statistics in regard to the cost of various kinds of production. Then, we have the right to go to their books and check the figures up. That has saved us a great deal of work and we get it in much better shape.

Mr. LITTAUER. They submit the figures for you to check up instead of your going to their books and taking them?

Mr. SMITH. Yes, sir. Then we will take up the whole steel industry, not merely the steel corporation, and that will take a lot of money.

CLAIMS OF THE STATE OF TEXAS FOR PAYMENT OF VOLUNTEERS.

STATEMENTS OF HON. ALBERT S. BURLESON, A REPRESENTATIVE FROM TEXAS, AND MR. ALONZO W. SHUNK, OF THE MILITARY SECRETARY'S OFFICE, WAR DEPARTMENT.

Mr. BURLESON. Now, gentlemen, I was asked why this amount was fixed in the act of 1860 at \$123,000. I have looked up this matter and have gone to the reports of the preceding Congress, to the Congressional Globe, and I find that in 1860 these items were embodied in the military appropriation bill, the army appropriation bill, in the Senate, and, as usual, there was absolutely no debate, one item being for the State of Iowa, couched in exactly the same language as that in which the Texas item was couched. The Iowa item went in first and was followed immediately by the Texas item.

Mr. LITTAUER. What was the amount in the Senate?

Mr. BURLESON. The same—\$123,000; that is the first time \$123,000 was fixed. When the bill was returned to the House the chairman of the Committee on Ways and Means moved nonconcurrency in these two Senate amendments, and Mr. Benjamin Stanton, of Ohio, who I suppose was on the Committee on Military Affairs, used this language [reads]:

These claims are justly due to the States and Territories, and I would not keep these parties waiting and knocking at the doors of Congress; but under the operation of our rules we can not get the subject before the House for consideration. All I ask is that the House shall come up to the consideration of this question and say whether this appropriation for Iowa is right or wrong. If it be right, adopt it; if it is not, reject it; for if it is right, no other committee can get in a separate bill for its payment, because the Committee on Ways and Means control all legislation and occupy the floor, by the courtesy of the House, all the time, to the exclusion of all other claims and all other business.

I might incidentally say that there is another committee now against which that same charge might be made. Mr. Stanton added [reads]:

Now, inasmuch as this amendment is upon this bill, I hope this House will meet it upon its merits, and if it is right will pass it.

Immediately after that a Representative by the name of Stout, from Oregon, offered another amendment, carrying several million dollars for Oregon. The chairman of the Committee on Ways and Means promptly raised the point of order, and it went out, although since then it has been paid. It was exactly of the same character as the Iowa and Texas claims.

Mr. GRAFF. Was it on an appropriation bill?

Mr. BURLESON. Yes; on the army appropriation bill. Now, immediately after that a gentleman from California offered an amendment to the effect that California's claim of several thousand dollars be paid, and that, too, went down on a point of order.

Then Mr. Reagan, of Texas—everybody here knows who Mr. Reagan was—took the floor, and he used this language [reads]:

I move to amend by reducing the amount \$10,000. It will be recollected that at the beginning of the Thirty-fifth Congress an application was made by the State of Texas to secure the reimbursement of \$185,000 paid by that State for troops called out by the governor of the State for the defense of the frontier. The last Congress appropriated some \$55,000, leaving unpaid the amount

provided for in this bill. It only embraces the moneys paid out by the State from 1855 to 1857, when the Comptroller's report was made up. Accompanying the bill which I offered at the beginning of the present session, I furnished to the Committee on Military Affairs the account of the comptroller of the State, showing the amount of money paid out under the authority of the State. The chairman of the Military Committee is not now in his seat, or I would have made an exhibit of that paper here; but it is within the knowledge of the members of the Committee on Military Affairs. This does not embrace the very large expenditures made by the State for the last two and a half years; and Congress is now asked, as it will not give us troops, to reimburse the State for the moneys actually paid out by the State of Texas. The act of 1859 provides that these troops shall not receive higher rates of pay than the rates paid to soldiers and officers in the regular service. The matter is left to the supervision of the Secretary of War, who must be satisfied, before he pays the money, that it has been actually and necessarily expended, and that there was a necessity for calling troops into the field. It was my purpose to have embraced in the bill the other expenditures, but I was not able to get the Comptroller's report and the necessary vouchers. If this money be reimbursed, then the State of Texas can continue to employ troops in the defense of her frontier, as Congress has refused to give her that protection to which she is certainly entitled.

Mr. LITTAUER. What is the date of that?

Mr. BURLESON. June 14, 1860.

Mr. LITTAUER. See if I have gathered in that statement: The statement is that the \$123,000 covered only up to 1857—that is, two and one half years' time thereafter was unstated?

Mr. BURLESON. He had a Comptroller's statement of it, and had turned it over to the Committee on Military Affairs, and it was not there available at hand, and he goes on to say it was for a very much larger amount.

Mr. LITTAUER. The amount carried in the bill he was speaking of was \$123,000?

Mr. BURLESON. Yes.

Mr. LITTAUER. You are simply explaining to us why the whole amount was not mentioned?

Mr. BURLESON. Yes, sir. Then Mr. Garnett, of Virginia, got on the floor, and Mr. Garnett said, after going over the case and making an argument [reads]:

I should not be surprised at votes from the Republican side of the House in favor of this amendment, for they have a party motive to subserve in swelling the deficiency, in order to create the necessity for a protective tariff; but I am really astonished at the action of the Democratic party, which I joined early in life, because I believed it a free-trade party. If this course continues, I think we shall have to move a committee of tariff Democrats to frame a tariff to supply these enormous, extravagant, wasteful, and intolerable appropriations.

Then Mr. Reagan replied to him [reads]:

I withdraw my amendment, and propose to reduce the amount to \$200. Mr. Chairman, I am very sorry that the amendment of the gentleman from Oregon happened to be ruled out of order.

They had ruled out the Oregon amendment, and there was no debate upon it. Mr. Reagan continued [reads]:

The gentleman from Virginia [Mr. Garnett] had his speech prepared against the Oregon war debt bill, and it is the misfortune of Texas that he did not get a chance to make it against that amendment. But that having been ruled out of order, the speech must needs nevertheless be made. I am told that I am to be arraigned as a tariff Democrat because my State has been driven, by the shameful neglect of this Government, to defend her citizens, and comes now and asks that Congress shall reimburse her the amount actually paid out. There is a report of the comptroller of the State which shows the amount of money which has been actually paid out for the defense of the frontier. It is

not necessary that I should refer again to the efforts which were made by myself and my colleague upon this floor during the last Congress, persistently and continuously, to secure the defense of the frontier of Texas.

Then he goes on to discuss it still further, and says that the greater portion of the expenditures of government is to be charged to the protection of the frontiers of Texas, California, New Mexico, and Oregon. Then he says [reads]:

It is not to be believed that the American Congress will lose sight of the extent of the territory of this country, the extent of our Indian frontiers, and the existence of 300,000 Indians upon these frontiers, a large portion of whom are either predatory in their character or they have little regard, little knowledge, and little respect for the rights of others. The main portion of the military forces of this country has to be employed to keep these Indians in subjection and to protect the white settlers, to give protection to the settlers for the redemption of the wilderness to the uses of civilized life and the arts of peace. But it appears to be the gentleman's policy to stop the settlements where they now are and to leave these vast unsettled tracts to be the hunting grounds of Indians in all future years. What sort of a policy is that?

I have only further to say that I presume the protective provisions have been inserted in this amendment in order that any additional supervision which is necessary might be made by the Secretary of War, and that the Federal Treasury might be guarded against any impropriety. There can be no doubt that these troops were called out and ordered into the service. That service was necessary. The money to pay for it was appropriated by the State, and it has been paid to the troops. And we only ask now simply to be reimbursed for that necessary expenditure. I trust and believe that this House will not require the State of Texas to go on defending herself, prosecuting her own wars, and then refusing to reimburse her the amount which she has necessarily expended, unless, indeed, they are prepared to disregard every dictate of humanity, of justice, and of patriotism.

I think I have read you just sufficient to show that the amount of \$123,000 really does not indicate the extent of the indebtedness to Texas.

Now, gentlemen, I want to call your attention to the fact that in that same bill and couched in the same language was the appropriation item for Iowa. It has since been paid. I want to call your attention to the fact that the proposed amendments for Oregon and California, ruled out on points of order, have since been paid. These items that are for Texas never have been questioned by a living human being on earth, except the man Bradley, who made up the report transmitted to Congress in 1872, during the very height of the reconstruction period.

Now, I want to read you a couple of letters by James P. Newcomb—

Mr. LITTAUER. What date are they?

Mr. BURLESON. 1871.

Mr. LITTAUER. Before you get to 1871, I find in this statement here (Senate Doc. 169 of the present Congress) this language:

The consideration of this claim in Congress resulted in the insertion in the "Act making appropriations for the support of the Army for the year ending the 30th of June, 1860," approved March 3, 1859, of a section which provides:

"That the Secretary of War be, and he is hereby, authorized to repay to the State of Texas, out of any money in the Treasury not otherwise appropriated, moneys advanced by that State for the payment of six companies of mounted volunteers called into service by General Persifer F. Smith on the first of November, eighteen hundred and fifty-four, for three months: *Provided*, That there shall be no greater pay or allowances to these companies than was given to similar troops in the service of the United States." (11 Stat. L., 434.)

That is subsequent to that?

Mr. BURLESON. No; that is the very item I am talking about. That is the item Mr. Reagan was talking about.

Mr. LITTAUER. All right. Let us go ahead. That was in 1860?

Mr. BURLESON. Yes.

Mr. LITTAUER. A protest was made on the floor of the House that the \$123,000 carried in the appropriation bill was not all of Texas's claim.

Mr. BURLESON. Yes; he explained it, and stated that if the chairman of the Military Committee had been there he would have shown the report of the Comptroller, showing that the remainder was due to the State. Then, subsequently, when the Secretary of State, James M. Newcomb, during the reconstruction period, came before the Congress he brought these claims to the attention of the Secretary of War.

Mr. LITTAUER. What was the date?

Mr. BURLESON. 1871. I would like just to read you the three letters. It will not take me more than a minute or two, and by my reading them you can get the matter fixed in your mind. The first one is this [reads]:

WASHINGTON, D. C., November 11, 1871.

SIR: I am here to submit to your consideration the original papers pertaining to the claim of the State of Texas for reimbursement for moneys paid out for frontier defense under acts of Congress March 3, 1859, and June 21, 1860, and to ask in behalf of the State as speedy an investigation and settlement of the matter as possible consistent with the convenience of your Department.

In the spring of 1861 the State of Texas, through its agent, Mr. Clement R. Johns, presented this claim, but the rebellion had already been inaugurated in the South, and the hesitancy of the Department and obstacles thrown in the way of a settlement at that time were largely attributable to the threatening condition of the South, and actual hostilities began while Mr. Johns was in Washington, effectually and fortunately putting an end to all further negotiations. The matter has lain dormant up to the inauguration of the present State administration, and it has been with much difficulty that the original papers relating thereto have been gotten together, as the records of the State were thrown into confusion and destroyed to a great extent during the rebellion. The papers are now presented in the best possible shape, and constitute the only showing the State can make. The objections raised at the time Mr. Johns presented the case were mainly of a technical nature, to wit, that the vouchers and papers were not made out in all particulars in a businesslike manner, lacking formality, etc.; in fact, that the State had done its business in a very loose way.

We have attempted to remove many of the causes of objection then raised, by supplying the evidence required. The State paid these frontier claims, and the only fact, it appears to us, necessary to be established, in order that the appropriations made by the General Government may be applied to reimburse the State, is that the State has liquidated these claims. I believe the evidence I have to present does this satisfactorily. The lapse of time and the war have placed it beyond our power to make good all technical defects, as many of the parties connected with the transactions are either dead or their residences unknown, while the whole matter has passed into history and beyond the remedy of technicality.

Hoping that this business, which is of great importance to our State, will enlist your earnest attention and be dealt with in a liberal manner, I have the honor to be, very respectfully, your obedient servant,

JAMES P. NEWCOMB.

HON. GEORGE S. BOUTWELL,

Secretary of the Treasury, Washington, D. C.

Now, here is another one [reads]:

WASHINGTON, D. C., November 16, 1871.

GENERAL: During our interview on Saturday last you suggested that there was no appropriation to pay the claim of the State of Texas, or rather that by act of July 12, 1870, such appropriation had been covered into the Treasury. I hope this point will be thoroughly examined before passed or decided adversely to the claim of the State of Texas, it being, in fact, preliminary to any settlement of the matter at this time. If you will take the two acts, March 3, 1859, and July 21, 1860, together, I think you will conclude that the consideration involved must be construed under the head of a permanent appropriation until the matter is finally disposed of by the compliance of both parties, the State of Texas and the United States Government, with the provisions of the act.

The act of March 3, 1859, section 2, provided for the repayment to the State of Texas, out of any moneys not otherwise appropriated, moneys advanced by the State for the payment of six companies of mounted volunteers called into service by Gen. P. F. Smith, with the proviso that the allowance should be no greater than for United States troops, and for a period of three months. The act of June 21, 1860, section 6, extends the provision of the act of March 3, 1859, to include all moneys advanced by the State in payment of volunteers called out in defense of the frontier since 28th of February, 1855, with proviso that the Secretary of War shall be satisfied that there was a necessity for calling out these troops, that they were called out by competent authority, and the amount claimed by the State was actually paid by the State, and the amount to be allowed limited to \$123,544.51, etc. Had this limit not been stated, the State of Texas could have come forward and claimed the full amount of her outlays under the act.

I regard the acts cited as a contract, bargain, and agreement on the part of the United States Government and the State of Texas. The State of Texas has made good its part of the agreement; it remains for the United States to complete the matter. If the act of July 12, 1870, eliminates the \$123,544.51 from the act of June 21, 1860, then we claim a general adjustment of all our claims within the dates mentioned and the entire amount expended by the State.

Respectfully,

JAMES P. NEWCOMB,
Secretary of State.

Gen. W. W. BELKNAP,
Secretary of War, Washington, D. C.

Mr. Newcomb is mistaken about that when he speaks of the act of July 12, 1870. It was under the act of 1852 that it lapsed. It is a general statute.

You will observe that he says that had this amount of \$123,000 not been stated as the limit, the State of Texas could have come forward and claimed the full amount of her outlays under the act. That is Newcomb's statement of it—that if they had not put that in Texas could have come in under that act and claimed it.

Mr. LITTAUER. She could have claimed it, but still it had to have Congressional approval?

Mr. BURLISON. No; in the act it was stated that all sums paid out by Texas should be paid. He says [reads]:

I regard the acts cited as a contract, bargain, and agreement on the part of the United States Government and the State of Texas. The State of Texas has made good its part of the agreement; it remains for the United States to complete the matter. If the act of July 12, 1870, eliminates the \$123,544.51 from the act of June 21, 1860, then we claim a general adjustment of all our claims within the dates mentioned and the entire amount expended by the State.

That was Newcomb to the Secretary of War, on November 16, 1871. Here is the answer he got [reads]:

WAR DEPARTMENT,
Washington, D. C., November 16, 1871.

SIR: Your letter of the 11th instant and certain claims of the State of Texas, which were therewith submitted by you to the honorable the Secretary of the

Treasury, have been received at this Department, as has also your statement dated to-day, in relation to the application of certain laws.

The aggregate of the claims, as submitted by your abstract, is \$209,656.99. Of this amount it is alleged that only \$50,001.81 were expended for the six companies referred to in the act of March 3, 1859, and the balance—\$159,655.18—is claimed, it is supposed, under section 6, act of June 21, 1860.

Regarding the expenses of the six companies I have to state that various United States laws, made within the last decade of years, in reference to the applicability of appropriations made by former acts, as well as in reference to the consideration of certain claims against the Government, convey to my mind an impression that no officer of the Government can at this time admit or pay any portion of these claims. It is understood that a discretionary power in relation to them was granted to the head of this Department in the act of March 3, 1859, by which he was "authorized," but not, as in many other cases, specifically directed, to act, and in this instance I prefer to adopt the above impression. No claim can now be considered under section 6 of the act of June 21, 1860, as the amount thereby appropriated—viz, \$123,544.51—was carried to the "surplus fund" under section 10 of the act of August 31, 1852, by a warrant dated June 30, 1863.

In view of the foregoing facts, I have to inform you that the claims submitted by you can not be favorably entertained at this Department until Congress acts further in regard to them.

Very respectfully, your obedient servant,

WM. W. BELKNAP,
Secretary of War.

JAMES P. NEWCOMB, Esq.,
Secretary of the State of Texas.

By the way, right there, they carried that item of appropriation made to Texas to the surplus in 1863, and yet they paid Iowa's claim in 1868, couched, as I tell you, in the same language.

Mr. LITTAUER. Who paid Iowa's?

Mr. BURLESON. The General Government.

Mr. LITTAUER. Without Congressional action?

Mr. BURLESON. Yes; under the same language. Our claim was clothed in the same language. They covered the Texas item into the Treasury because, I suppose, we were trying to get away. They paid Iowa's claim in 1868.

You will notice Mr. Belknap closes his letter by saying—

In view of the foregoing facts I have to inform you that the claims submitted by you can not be favorably entertained at this Department until Congress acts further in regard to them.

We have kept up the effort, we have continued to make an effort to get this money.

Mr. LITTAUER. As to this man Newcomb, what was his position?

Mr. BURLESON. He was secretary of state of Texas under the reconstruction government of our State. As I say, we continued to make an effort—

Mr. LITTAUER. That secretary of state evidently had in mind that the amount due was \$209,000.

Mr. BURLESON. All the accounts that had been submitted before were under the act of 1860. He was not trying to bring in anything else. He was insisting that he was entitled to it under the act of 1860 and did not attempt to bring in any additional account, because his contention was that that was a permanent appropriation; that the money was set apart, and here were the amounts that Texas had filed against it, and he was entitled to it.

Mr. LITTAUER. Tell me why he was not entitled, under that act, to have every account paid that was incurred by the State of Texas under the general provision?

Mr. BURLESON. Because a specific appropriation was made in 1860 covering certain accounts. Mr. Reagan had stated, you understand, that no account had been rendered for expenditures made by Texas subsequent to 1857, and the contention was that that act was still in force. They said it had been covered back.

Mr. LITTAUER. Where do you get the inference that he did confine himself to the accounts made up to 1857?

Mr. BURLESON. Because if you will take the accounts you will find that they aggregate that exact amount. That is shown in here, if you will take the trouble to read it. Mr. Shunk will back me up in that statement. Governor Sayers tried to get a reauditing of this matter. Secretary Proctor was in charge of the War Department at that time, and he manifested a disposition to have it done, and they finally ran up against this same ruling made by Secretary Belknap—that the matter had been covered back.

But Governor Sayers persisted along that line, but having this larger appropriation in mind, he pushed this aside. When he went out of Congress he called my attention to it. I laid the situation before Senator Hemenway and Senator Cockrell, and Senator Cockrell said it was necessary that there should be some Congressional action before the General Government could do anything. Then we had this item put in for the purpose of having a clean-cut statement made of the amount of money which Texas actually expended for the defense of her frontier, for which the Federal Government had not reimbursed her. There is no claim for interest here.

Mr. LITTAUER. Did General Reagan at any time indicate that there was a larger sum due to Texas than \$209,000?

Mr. BURLESON. Yes, sir. He did not say larger than \$209,000, but he said, "No claim whatever is made for the two and one-half years since 1857." I read that to you out of the Congressional Globe.

Mr. LITTAUER. I did not mean General Reagan. I meant Mr. Sayers.

Mr. BURLESON. Oh, certainly; we were back in the Union then, and we proposed to have what was our due, and you will find the records here will show that when they proposed practically to give us a smaller amount, even the reconstruction people rejected it and would not take it.

Now here it has been brought down to the point where I feel that this is not only a just claim, but the payment of it has been deferred for many, many years. Probably you would never know this unless you had dug through the documents as I have. One of the ways that Mr. Bradley discredited this claim was by taking one of the companies that protected our frontier, commanded by young Captain Callahan, a brave, gallant young fellow, who was stationed on the frontier, and you can imagine the character of the young men who made up the Texas Rangers; they did some things that were sometimes a little intemperate, and sometimes they had rows with the people, and Callahan actually invaded Mexico. They claim it was an invasion.

The unwritten history is that they simply ran over the border for purposes that suited the boys in company with him. But the whole amount that is claimed for the pay of Callahan, as I now recall it, is about \$5,600. Even if you reject that part of it, the amount will be left substantially the same, although it is a just claim, and Texas

named a county for Callahan. Even if you reject that claim on the ground that he was doing something that he ought not to have done, the fact remains that Texas paid him. He rendered Texas valuable service, and Texas paid him for protecting the frontier against Mexican marauders and the Indians.

Texas is not asking for any interest on this. She is asking simply for the appropriation which she has expended. I think I have brought it within the technical rules, so that we have got a legislative statute.

Mr. LITTAUER. Can you make any further comment on Bradley's action beyond this Callahan matter?

Mr. BURLESON. He applied the most technical rules to the rejection of every one of these claims—that is, he objected unless it was made out in triplicate and in strict accordance with the requirements of the Department; but even with Bradley, whose mind was saturated with hate against the unfortunate people who happened to be down in that neck of woods, he admitted that part of this was just and ought to be paid. We, however, contend that every dollar of it was due, and I will tell you now that I would not accept a dollar of it unless the whole was paid, because it is a virtuous claim.

Mr. BRUNDIDGE. Just a moment. You do not expect the committee here to go into the question of trying the case, as to whether it is a correct claim or a bad one? The question I want to hear you on is whether or not you have it in proper shape, so that it is a proper item to go on this bill.

Mr. BURLESON. I believe it is, because Senator Cockrell, of Missouri, framed an item of the same kind that went in without question. The bill that we passed by a two-thirds majority in the House is the same that the damages by reason of the shutting of these questions off are to be computed by the War Department and submitted to Congress for its consideration; and I asked the Secretary of War whether that would give it such status that a point of order could not be made against it. The chairman of the committee says, "Beyond peradventure of doubt, it has that status," and Mr. Walter I. Smith, who was standing there at the time—I do not claim to be a parliamentary sharp myself, but I think Mr. Smith is—I said to Mr. Smith, "What do you think about that, Mr. Smith?" And he said, "Beyond a doubt."

I have devoted a lot of labor to this matter. I presented it to the Senate committee and tried to get it on the urgent deficiency bill, and they took the position that it ought to go on the general deficiency. I want it to go on here. I do not believe there is a man on this committee who would not believe me when I make the statement here that I would not ask this to go on if I did not feel that Texas is morally sure that she is entitled to every cent of it.

Mr. GRAFF. The ground upon which this claim was made is that these Texas Rangers were used for the purpose of protecting the State against invasion and for the purpose of protecting it against the uprisings of Indians?

Mr. BURLESON. Yes; hostile Indians and Mexicans.

Mr. GRAFF. Now, then, is there any question about whether they have properly segregated the items that have been furnished here, so as to be able to discriminate what money may have been paid out for the employment of these rangers when acting in an ordinary capacity or when acting for these two specific purposes? Has there ever been a question about that? I have not had any time to go over that, and

I do not have any definite notion now about the matter, or concerning it, except what you state.

Mr. BURLESON. That is the only purpose for which Texas Rangers were ever used until after the civil war, and that is to protect Texas against Mexican marauders and against Indians in depredations.

Mr. LITTAUER. Mr. Tawney brought that up, too—whether or not that was the fact—whether it was not a fact that some time prior to that they were acting in a manner hostile to the interests of the United States.

Mr. BURLESON. Oh, no; because, you know, Texas was one of the last States that seceded. Texas did not secede, as I recall it, until February, 1861.

Mr. LITTAUER. Had not these Texas Rangers seized the property of the United States prior to that time?

Mr. BURLESON. No. Here is what Mr. Tawney had in mind; here is the Executive document, Thirty-ninth Congress, second session (Doc. No. 75), addressed to Hon. Schuyler Colfax, Speaker of the House of Representatives, by H. McCulloch, Secretary of the Treasury, under date of February 4, 1867, in which he says [reads]:

TREASURY DEPARTMENT, *February 4, 1867.*

SIR: I have the honor to acknowledge the receipt of the resolution of the House of Representatives instructing the Secretary of the Treasury "to report to the House what amount of the debt due by the United States to the State of Texas previous to the rebellion yet remains unpaid, and whether the State of Texas has accounted for the money and stores taken by said State from the Confederate authorities upon the breaking up of the Confederacy, and the amount of said money and stores."

Mr. LITTAUER. This is prior to the Rebellion that I refer to.

Mr. GRAFF. In response to whose inquiry was that?

Mr. BURLESON. An inquiry addressed by the House to the Secretary of the Treasury. Schuyler Colfax was Speaker of the House. He goes on [reads]:

In answer, I have to state that the sum of three hundred and seventy-one thousand dollars of the principal of the "Texan indemnity bonds" remain unpaid, with an unknown amount of interest coupons. Of these bonds sixty-one are in the Department where they were deposited by an agent of the late provisional governor of the State. None of the remaining three hundred and ten are believed to be in the possession of the State authorities or under their control.

By the act of Congress approved February 28, 1855, an appropriation was made for payment to such creditors of the State of Texas as are comprehended in the act of September 9, 1850. Of this appropriation there remains unexpended the sum of one hundred and eleven thousand eight hundred and ninety-six dollars and fourteen cents (\$111,896.14).

This Department has no information as to what money or stores were taken by the State of Texas from the Confederate authorities on the breaking up of the "Confederacy," and no such money or property has been accounted for by the State with this Department.

An agent of the Treasury Department seized from an agent of the State, and shipped to New York, on account of the United States, 105 bales of Confederate cotton, which is the only property realized by the Department from the source mentioned in the resolution.

I have the honor to be, very respectfully,

H. McCULLOCH,
Secretary of the Treasury.

HON. SCHUYLER COLFAX,
Speaker of the House of Representatives.

Mr. LITTAUER. Let us go a little further. I notice that when the claim was revised in 1875 by the governor of Texas, he inclosed two statements of expenditures on account of frontier protection, those statements being certified by the comptroller of the State as true and

correct statements, as shown by the records of his office. The first is a statement of the amounts paid by the State of Texas for frontier protection from January 28, 1855, to January 28, 1861, and amounts to \$209,000. That was thirty years ago.

Mr. BURLESON. That was the amount appropriated. Now, if you will get the amount expended in some one of these documents—

Mr. LITTAUER. It says: "Amounts paid by the State of Texas"—not appropriated, but paid.

Mr. BURLESON. There is a document here on that, which I think I can lay my hands on. Except in the Bradley report there has never been any question but that these amounts were expended for protecting the State from Mexican marauders and hostile Indians. Every act that could possibly prejudice the matter Lieutenant Bradley embodied in his report. He took the Callahan invasion of Mexico, and although there is about only \$6,600 claimed on account of that, he devotes page upon page to that matter, and shows that an indebtedness of \$11,000,000 was incurred on the part of the Government of the United States to American citizens because of that invasion.

Mr. TAWNEY. Was Bradley's report made to the Secretary of War?

Mr. BURLESON. Yes.

Mr. LITTAUER. Bradley's report is altogether against this thing.

Mr. BURLESON. Pardon me; it is not altogether against it.

Mr. TAWNEY. Was it not approved by Floyd, Secretary of War at that time?

Mr. BURLESON. Oh, no; he had long before that fallen under suspicion—unjust suspicion. This was right in the reconstruction period.

Mr. TAWNEY. When this Bradley report was made, was any account taken of the service performed by Texas Rangers during the war under the act of your legislature?

Mr. BURLESON. I do not recall that.

Mr. TAWNEY. Adopted February 28, 1861?

Mr. BURLESON. I will state to you that in all the correspondence that has been had no attempt has been made to offset anything of that kind. You must understand that the men who were the captains of Texas Rangers were not expert accountants. My father was a captain of a Texas Ranger company; he was captain of one of these companies that stood upon the frontier, and cooperating with General Lee he was in charge of the United States force at Fort Mason; and my father was in charge of the Texas Rangers at the outset of the civil war. The men that made up these accounts were not skilled accountants. Frequently they signed their names with a mark. They could not keep these accounts in accordance with the technical requirements. Neither did they do it in Iowa, or California, or Oregon, or Utah, or any other State.

Now, coming back to the \$209,000, turning to the thirteenth page of the document before you, The Military Secretary in pursuance of the instructions contained in this item, caused to be brought before him the printed laws of Texas, out of which was extracted the various appropriation acts which he required the secretary of state to certify to him; and then from those acts making appropriations, he required the comptroller of our State to bring before him the original—what do you call them?

Mr. SHUNK. The original ledgers.

Mr. BURLESON. Yes; the original ledgers, showing the accounts that

were kept and the disbursements. During the period from 1857 to February 11, 1860, there was \$615,244.51 appropriated by the State of Texas. Now, if there is any question on earth in your minds about it, there is a detailed statement of the \$509,000 on page 32. If you will take up these acts you will see that it was money appropriated, rather than money expended.

Mr. LITTAUER. It says "Statement of amounts paid."

Mr. BURLESON. I understand that. It was not a fact. It was not paid. Here is a detailed statement showing the amounts paid out of each appropriation. For instance, it left an unexpended balance in one of \$8,000 and over, and in another \$198,573. Texas has not cooked up a book in order to get an account against the United States. The unexpended balance subtracted from the total appropriation gives the amount that was expended for this purpose.

Mr. TAWNEY. How did the War Department arrive at the fact that these expenditures were all made for that purpose out of these several appropriations?

Mr. BURLESON. Well, sir, I suppose they took the accounts of the State of Texas for it. I suppose that is the only way.

Mr. LITTAUER. The peculiar thing about this is really——

Mr. BURLESON. Was there any other way it could be ascertained?

Mr. SHUNK. There was no other way by which the War Department could ascertain that, except from the records of the State of Texas, and the information was obtained through the ledgers of the comptroller of the State, which were submitted to The Military Secretary, each appropriation made and shown in this book being entered under a separate heading by a particular designation, by letters and numbers, as they appear in this Document No. 169, Senate; and the statements were made in that ledger just as they appear in the report submitted to the Secretary of War by The Military Secretary, showing the names of the persons to whom the voucher was supposed to be paid and to whom it undoubtedly was paid, and the number of the Treasury voucher or warrant as it appeared on the ledger of the comptroller.

Mr. GRAFF. Did not the Secretary exclude one year there, Mr. Burleson?

Mr. LITTAUER. We have here a statement vouched for by the comptroller of accounts of the State of Texas in 1875, thirty years ago, which shows then a statement of amounts paid by the State of Texas for frontier protection during this period, and that amount, as then stated, is \$509,000.

Now, as I understand, your investigation shows that the amount actually was only \$375,000, so that it appears that Texas did render a wrong account at this time. When I come to compare your figures I find that many of the accounts as stated by Texas as amounts paid thirty years ago are actually the same as you now find them, and other amounts are radically different.

Mr. BURLESON. To what extent?

Mr. LITTAUER. The difference is that Texas claimed then \$109,000 more than the books show she had a right to claim. The first item I find to be \$15,571.01. Then, I go down and I find the third item was \$4,026.43.

Mr. BURLESON. Just for the sake of illustration, take the item, for example, of January 14, 1856.

Mr. LITTAUER. That is the third item. They had then stated that they had expended \$100 for that. You now find they had expended \$4,026.43. Then the item immediately below that is found to be exactly correct. Then in this other one there is a balance of expenses, called out by Gen. P. F. Smith, January 14, 1856, \$4,026.43, that the present examiner does not find at all. Then I go on down—

Mr. BURLESON. I am free to say that I have not attempted to go into the accounts at all.

Mr. LITTAUER. We have here a certified statement from the State of Texas, and a conflict of figures has raised question marks in my brain.

Mr. BURLESON. Take the item, for purposes of illustration, of January 27, 1858.

Mr. LITTAUER. I have not one of that date.

Mr. BURLESON. Take the one of December 14, 1857.

Mr. LITTAUER. Both are absolutely correct to the penny, \$14,655.40. I can not understand why, if the books of Texas now show \$375,000, we should have a certified account of the books of Texas of thirty years ago.

Mr. BURLESON. I do not think, Mr. Littauer, that that ought to be the cause of the rejection of the claim. Maybe Mr. Shunk can explain it.

Mr. LITTAUER. I understand you [addressing Mr. Shunk] have made up this account that appears on page 32 of Senate Document No. 169, and that is the résumé of your work, is it not?

Mr. SHUNK. Yes; and the place where those figures are obtained appears earlier in the document. Take, for example, the item of December 17, 1855. The first one, designated by the comptroller as appropriation 2 K, will be found on page 21, set out as it appears on the comptroller's record. That is on the bottom of page 21.

Mr. LITTAUER. You say there, an appropriation of \$16,091.12, and from that you deduct \$520.11 that was deposited.

Mr. SHUNK. They charge the expenditure to John D. Pitts on warrant 8774 on the Comptroller's record.

Mr. LITTAUER. These prior pages show the ledger accounts as you have examined into them?

Mr. SHUNK. A better one would appear on page 22, as 10 K. That sets it out in full. The statements are copied exactly from the Comptroller's book, including the changes on the Comptroller's book.

Mr. LITTAUER. In your examination of this did you examine this statement here certified from the Comptroller as to these figures on the Comptroller's book?

Mr. SHUNK. We had no means of determining that.

Mr. LITTAUER. What had you to guide you as to the actual uses to which this money was put?

Mr. SHUNK. We had no means in the War Department except the appropriations made by the State, which appear, showing what the money was appropriated for, and the record of that appropriation on the Comptroller's book, showing what the State expended.

Mr. LITTAUER. Then you looked through the books of the State of Texas and did find there all these various items appropriated by the State of Texas for this purpose, but whether the moneys were used for this purpose or not you had no means of knowing?

Mr. SHUNK. No means of ascertaining.

Mr. LITTAUER. So that while the resolution or law under which you were asked to make this examination was to determine what sums of money were actually expended by the State you can only state that the books state or show that they appropriated this amount? You can not state what they were expended for?

Mr. SHUNK. No. All that The Military Secretary could show was what was said on page 21 of the document, that there had been submitted to the War Department, at the hands of the State adjutant-general, the original ledger of the comptroller of the State of Texas purporting to contain the statements of the accounts in connection with the State's appropriations on account of the troops concerned in this claim. Then he goes on and states further [reads]:

As the State comptroller was the official charged with drawing and issuing warrants on the State treasury, his accounts are believed to be the best record now obtainable of payments on account of the State appropriations in question.

Mr. LITTAUER. I can not for the life of me understand how this State comptroller, who, under his seal here, transmitted to Congress the amounts paid by the State thirty years ago, should have been able to transmit an amount \$129,000 more than you found on those books.

Mr. SHUNK. That might be explained in this way, Mr. Chairman: That he included some appropriations which the authorities of the State of Texas at the present time do not consider as coming under this division; that they did not submit acts of the State legislature covering them. There may have been other appropriations which he included at that time which on subsequent consideration were not thought to come within the scope of this act.

Mr. LITTAUER. One of them is this: "For pay and protection of the frontier, February 3, 1860, \$300,000 appropriated." Your statement gives the payment of \$86,544 before June 21, \$14,000 after June 21; a total of \$198,000 unexpended balance. That would make a total of appropriation practically \$100,000, which that statement gave as \$177,000.

Mr. SHUNK. The details of the expenditure under that appropriation appear in Document No. 169, on pages 27, 28, and 29.

Mr. LITTAUER. Did you find there an appropriation—you did find an appropriation of \$300,000?

Mr. SHUNK. Yes; on February 18, 1860.

Mr. LITTAUER. And you found then these various amounts paid out?

Mr. SHUNK. Yes; paid out.

Mr. LITTAUER. Where did you find them? In the ledger?

Mr. SHUNK. Yes; with many other accounts.

Mr. LITTAUER. Did you sort out any that you refused to accept?

Mr. SHUNK. No, sir. Everything that we had an act of the State legislature for we accepted.

Mr. LITTAUER. This is supposed to be here a statement of the comptroller of public accounts of Texas, certified to as a true and correct statement. There he puts in \$177,000, and your items only aggregate \$101,000.

Mr. SHUNK. I do not know where he got that from. That is all we have in the War Department.

Mr. LITTAUER. The only thing is that it casts suspicion in my mind on the entire statement of account. Your report then is tantamount to a statement of what you found on the books of the State of Texas

appropriated by that State and actually paid out, according to the books, for the account of the protection of the frontier?

Mr. SHUNK. That is what it is.

Mr. LITTAUER. And you are not in a position to go into the reliability of that bookkeeping, or to say that the amounts were actually paid out, or the purpose for which they were paid out?

Mr. LIVINGSTON. You could not do that in a thousand years.

Mr. BRUNDIDGE. I understood you to state that you made this up from books containing statements of the appropriations authorized by the acts of the legislature?

Mr. SHUNK. The books from which these extracts were taken were apparently the records of the State, because they contained, besides these accounts, a multitude of accounts for different purposes by the State. I had no reason to question the apparent reliability of that book as a State record.

Mr. LITTAUER. You did find, of course, that none of these amounts were reimbursed?

Mr. SHUNK. We could find no record of their having been reimbursed. As The Military Secretary says in his remarks on pages 32 and 33—the last sentence in the report says, on page 33—

No evidence has been found showing that the State of Texas was reimbursed out of the Treasury of the United States for any of the expenditures included in that amount.

Mr. LITTAUER. On the question of whether these sums were actually expended, you can not give any testimony any more than that you found them on the books?

Mr. SHUNK. Any more than that we found them on the books presented by the adjutant-general of the State of Texas, in behalf of the Texas authorities, as evidence of the payments they had made. That is the only evidence there was of the payments.

Mr. LIVINGSTON. That is the only evidence they could have.

Mr. SHUNK. I do not imagine they could have any better evidence. Their records were pretty badly scattered, and as I understood from a conversation with the adjutant-general, those were the only records they had of the expenditures of the State at that date.

Mr. LITTAUER. Has there ever been a claim of this kind for the protection of the frontier, or protection against Indians, paid to a State that was subsequently in rebellion? They talk about paying Iowa and other States.

Mr. LIVINGSTON. No; the question of rebellion shut all our States out. There is no use in raising that question. None of our States had a claim like this, so far as I know; not one.

Mr. COURTS. Texas is the only one of those States that had a frontier of that kind.

Mr. LITTAUER. The other States had Indians, too.

Mr. COURTS. But these were frontier troubles.

Mr. GRAFF. The language of this act is this [reads]:

The Secretary of War is hereby directed to inquire, and report to Congress for its consideration, what sum or sums of money were actually expended by the State of Texas during the period of time between February 28, 1855, and June 21, 1860, in payment of State volunteers or rangers called into service by authority of the governor of Texas, in defense of the frontier of that State against Mexican marauders and Indian depredations, for which reimbursement has not been made out of the Treasury of the United States.

If those troops were used for other purposes—other than that—they would not come within the purpose of this act.

Mr. LIVINGSTON. They could not be used for other purposes. There was no rebellion before that.

Mr. GRAFF. I notice on page 5 of this report, in a quotation from a statement made by Lieutenant Bradley, that he says [reads]:

That the evidence found in reference to these Texas claims does not exhibit any good ground for actual responsibility on the part of the United States Government for anything more, in this case, than \$20,225.35, which, in the "synopsis," is the sum of the first two items for the troops of class 1, and that the balance, viz, \$202,918.54, was paid on account of troops or rangers, for the employment or support of which the United States, or their duly authorized agents, aside from the act of June 21, 1860, were not at all responsible.

Have you examined the report of Lieutenant Bradley?

Mr. SHUNK. Yes, sir. It is a very extensive report.

Mr. GRAFF. What does he mean in this statement that I have read? Does he mean that the act of June 21, 1860, would include that sum of \$202,918.54? In other words, why was it that he threw out this total sum of \$202,918.54?

Mr. SHUNK. I do not remember what his reasons were, as he stated them. He gave his opinion in extenso as to the different classes of troops. He gives his reasons in that report, in Senate Document No. 74, Forty-sixth Congress, second session, covering the claims of different classes during the period in question, and he divided them into six or seven classes.

Mr. LITTAUER. Did you examine into his report and comparisons with the accounts of the State of Texas?

Mr. SHUNK. Not closely, because that could not be accepted as evidence of the payment of the money.

Mr. LITTAUER. His report could not be considered as evidence?

Mr. SHUNK. I do not think that it could be considered as evidence of the payment of money by the State of Texas.

Mr. LITTAUER. Did you make any comparison of his figures with those figures on the books of the State?

Mr. SHUNK. It was impossible to do so.

Mr. GRAFF. You had evidence of the payment of money upon the books, but as to the devotion of that money to a particular purpose you had no evidence of that, had you?

Mr. SHUNK. Apparently I would say we had evidences of that. The money being appropriated for these particular purposes by the State of Texas, the only thing that the War Department could accept was the statement of the State that the money was paid for the purposes for which the appropriations had been made.

Mr. GRAFF. But Lieutenant Bradley claimed in his report that it was not devoted to that purpose.

Mr. LIVINGSTON. I have no respect for or confidence in Bradley's report. The War Department has got none. Nobody has got any. Anything of that character could have been revived in Congress in 1872.

Mr. GRAFF. What did Lieutenant Bradley state as his main reason for excluding any one of this large class of claims?

Mr. SHUNK. I could not attempt to give them from memory. He gave a number of them.

Mr. TAWNEY. Is your accounting here anything more than a statement of account as shown by the books of the Comptroller's or Auditor's office of the State of Texas?

Mr. SHUNK. The deficiency appropriation act of last year required the Secretary of War to make inquiry and report to Congress what sums of money had been expended by Texas in these particular cases for which the State had not been reimbursed by the United States Government.

The records of the War Department failing to give any information upon the subject, outside of possibly some few vouchers that might be there scattered through the records that had been in the claim before—and, by the way, those papers in that claim have been back and forth between the State of Texas and the War Department I do not know how many times—and not having anything in the War Department to base any statement on as to the amount of money expended by the State of Texas in the payment of troops called out for the purposes stated in that act, the only thing that the War Department could do was to seek for the best obtainable evidence of payment in the cases in question. They did that by asking the authorities of the State of Texas to submit evidence showing what moneys had been expended by the State for the payment of troops called out for the defense of the frontiers against Mexican marauders and Indian depredations during the period in question.

The authorities of the State submitted to the War Department certified copies of certain appropriation acts of the State legislature. All that were submitted and examined were found to cover appropriations apparently coming within the scope of the requirements of the deficiency appropriation act of last year. They submitted at the same time the only record that they had showing those payments, which was the record I have referred to of the comptroller, who, as I understand, was the official of the State of Texas who drew the warrants on the Treasury under these particular appropriations, and in that book were recorded apparently all the appropriations during the period covered by the record book for all sorts of purposes, and showing the persons to whom the warrants were drawn and the Treasury numbers of the warrants. Where those warrants are now, of course, no one knows. They are probably scattered everywhere. They say their records were scattered during the rebellion, and this was the only evidence that they had showing the payments of the money.

Mr. LITTAUER. The statute which authorized the repayment of such moneys was enacted in 1854, and provides that there shall be no greater pay or allowances in these companies than were given to similar troops in the service of the United States. Your investigations could not determine anything in connection with that?

Mr. SHUNK. It would be absolutely impossible to determine what amount was paid. Apparently in the first appropriation the whole amount was paid over to the man who was probably paymaster, and he paid the troops and took a receipt.

Mr. LITTAUER. As to what was paid any individual, you could not tell whether he got four times the pay of the ordinary troops in the service of the United States or whether he got less?

Mr. SHUNK. It was absolutely impossible to tell from the record we had available.

Mr. LITTAUER. I find here a complete statement of this matter. When the documents and papers were first presented to Congress in 1858, which was not the complete period, they only amounted to \$184,000. Then in 1871, when the claim was renewed, the complete sum amounted to \$223,000. Then in 1875 the certificate of the State comptroller stated that it amounted to \$509,000, taken off his books. Now, the books show that the claims amount to \$375,000, paid after the date, and there is nothing on the books showing the rate of pay or anything in connection with that phase of the legislation under which this claim was incurred.

Mr. SHUNK. All that the books show in connection with the statement of accounts is given in the document.

Mr. LITTAUER. Then that is an exact copy?

Mr. SHUNK. That is an exact copy of the document.

Mr. LITTAUER. We are very much obliged to you, sir.

COMMITTEE ON APPROPRIATIONS,
Friday, June 22, 1906.

EASTERN CHEROKEES.

STATEMENT OF MR. ROBERT L. OWEN, OF MUSCOGEE, IND. T.

Mr. TAWNEY. You are chief counsel for the Eastern Cherokees?

Mr. OWEN. I am attorney of record of the Eastern Cherokees in the case of Eastern Cherokees against the United States and the Cherokee Nation, in which case a judgment was rendered in favor of the Eastern Cherokees May 18, 1905, and affirmed by the Supreme Court of the United States at its last session. I have been continuously engaged in this case for seven years. The record of the pleadings and memorials in the case which I lay before the committee now contains over 2,700 printed pages. Mr. Linn and Mr. Powell do not appear in these pleadings in any place whatever. They rendered me no assistance in the case that I am aware of and they made to me no tender of assistance in the case.

Mr. LIVINGSTON. Right there let me say that they were not regular attorneys and could not do it.

Mr. OWEN. They were not attorneys or attorneys of record either.

Mr. LITTAUER. Have you any evidence of any agreement between any one of those gentlemen prior to the case getting into the court?

Mr. OWEN. I know of the contract which they made in 1898 with J. H. Dick, who is not an attorney at law, but is an interpreter in the Cherokee Nation. Mr. Dick had a power of attorney from three Cherokee citizens who were connected with the Keetoowah Society, a social organization of Cherokees. J. H. Dick has given his affidavit which I will now submit, declaring that this was only a preliminary power of attorney given to him by these Cherokees, and that it was intended to be submitted to the Keetoowah Society, but that it never was submitted to the society, and J. H. Dick on oath declares that the

contract was abandoned, and that no service was rendered by Linn or Powell in connection therewith.

Mr. TAWNEY. What evidence have you of that?

Mr. OWEN. His sworn statement, which I now submit to you.

Mr. LITTAUER. Was there any other contract with them?

Mr. OWEN. None, whatever.

Mr. LITTAUER. Do you know that they have taken some action or have asked the Court of Claims to consider some action in the matter?

Mr. OWEN. They were before the Court of Claims with a claim based on this alleged power of attorney. Their attorney, W. Alonzo Bailey, on May 21, 1906, filed a petition for them in the same case as did the other attorneys, before the Court of Claims, and the Court of Claims allowed them nothing, but rendered a decree, May 28, 1906, and did allow the other claimants certain fees.

Mr. LITTAUER. Did they make their claim on the basis of this contract?

Mr. OWEN. Yes.

Mr. BRUNDIDGE. There was a gentleman before the committee by the name of Bailey; I presume he is an attorney in the city. He said that he went before the Court of Claims in regard to this judgment, and presented there an application asking for a division of attorneys' fees, in the nature of a petition, and that you asked for a copy, which he furnished you, and that you said that you would file a reply to it; and also that you never have filed a reply or answer in that matter, that it stands in that shape, and he has been unable to have any determination because of the fact that there is no issue by reason of your failure to file an answer.

Mr. OWEN. When he told me that I went to Mr. Archibald Hopkins, clerk of the Court of Claims, and was told that he had not filed the petition. But it really was filed. I was not a defendant in his claim for fees and under no obligation to reply, especially as the claim did not require an answer. It defeated itself by its own internal evidence, and the court made them no allowance because they themselves made no case.

Mr. TAWNEY. Another statement was made to the effect that the courts practically left to the attorneys in the case the matter of granting the 15 per cent allowed for attorneys' fees between themselves, and that the recognized attorneys in the case gathered together and apportioned this percentage, so much to this one and so much to that one; that the 15 per cent was thus divided among the attorneys themselves, and that the court simply ratified this action on the part of the attorneys.

Mr. OWEN. That is partially true. A petition was filed by the attorneys representing the Eastern Cherokees, asking that an allowance of 15 per cent be apportioned among them, but the court declined to recognize their contract as binding upon the court.

Mr. TAWNEY. Whose contract?

Mr. OWEN. The contracts which these attorneys for the Eastern Cherokees had with their clients who had agreed to the 15 per cent. The court declined to recognize those Eastern Cherokee contracts as binding, but did recognize them as an expression of opinion by the parties in interest that 15 per cent would be evidence of a fair measure of value of the services rendered.

This case has been occupying the attorneys since 1895. R. V. Belt, W. T. Crawford, and Geo. Smothers, and some others were engaged in 1895. I came into the case in 1900 and have been continuously engaged since that time. The Court of Claims, acting as a court of equity, exercised its authority in this equity case and as a court of equity to determine what the attorneys should receive. So far as Mrs. Lockwood is concerned, who had no contract with the proper authorities of the Eastern Cherokees, but claimed she had rendered service, they did allow her \$18,000; and these men had an equal opportunity to be heard, and if they had been capable of proving service, an equal opportunity to be paid.

Mr. LITTAUER. Was this claim considered especially?

Mr. OWEN. It was presented to the court in open court, but was supported by no evidence, and so drawn as to be self-defeating. I got the affidavit of J. H. Dick, esq., for the purpose of meeting them in court, it being through Dick alone that they claimed to have been employed, and I also obtained the affidavit of F. J. Boudinot, esq., who was secretary of the Keetoowah Society, and he makes affidavit that the Keetoowah Society did not employ Linn or Powell and that they rendered no service. I also filed the affidavit of Hon. Robert V. Belt, formerly Assistant Commissioner of Indian Affairs, who was the Washington attorney of record with me in this case, and who testifies that he has no knowledge that Linn and Powell rendered any service in this case, or ever heard of such service being rendered, although he has been connected with the case for eleven years. I file my own affidavit to the effect that I had no knowledge of their rendering any service in connection with this case, and also the affidavit of William H. Robeson, who was one of the leading attorneys in this case, of like purport.

Mr. LITTAUER. They are claiming that their services were largely directed toward the passage of the legislation.

Mr. OWEN. Of course no man can prove a negative. I would not attempt to say that these gentlemen did not do anything whatever, I can not say it, but I can say that I do not know of anything that they did. They did not tender me any service, nor was I relying on them, nor was I aware of their rendering me any service.

Mr. LITTAUER. Were your services in connection with this matter taken up prior to the legislation?

Mr. OWEN. Oh, yes. I thought I got the legislation by the efforts of myself and my associates. I only lay this great printed record of over 2,700 printed pages before the committee to show the extent of the work done. It is unexplainable that in all this mass of work that nowhere did these gentlemen contribute a single page.

Mr. LITTAUER. Do you know what the total amount of this judgment will amount to if paid?

Mr. OWEN. About \$5,000,000.

Mr. TAWNEY. On that point. This question may be discussed somewhat in the House, and I would like some information upon it.

Mr. LITTAUER. Will you please go over the history of this matter in recent years; it is a large amount asked for and we may be asked questions.

Mr. OWEN. The origin of this claim is this: On May 23, 1836, a treaty was entered into with the Cherokees to pay them \$5,000,000

for the lands in Georgia, Alabama, Tennessee, and North Carolina, amounting to about 7,700,000 acres.

Mr. TAWNEY. Did it include improvements? •

Mr. OWEN. Yes, sir; about \$2,000,000 worth of improvements by actual value, so that the Cherokees got about \$3,000,000 for the land, outside of actual improvements in farms, orchards, and buildings that they had upon these lands. The Government of the United States prior to that time, in 1828, had entered into a contract with the Cherokees, agreeing that it would pay the cost of the removal and subsistence of any Cherokees who would remove from the East to the West.

Subsistence meant food for twelve months after they arrived in the western country, being allowed upon the theory that a man who goes into the wilderness can not raise corn the first year and would starve to death unless he had some means to live upon. The Government of the United States, in this treaty of 1835-36, reiterated this promise in the eighth article, saying that the Government would "also" provide the means of removal and subsistence, and in 1838 the Government did appropriate a sum of money amounting to \$1,047,000 to pay for such removal and subsistence; but just before that appropriation was made the War Department, having determined to move these people, had taken over \$1,000,000 of their trust fund—out of this \$5,000,000—to pay the expense of removal, and the War Department never thereafter reimbursed that money, but used the appropriation by Congress of June 12, 1838, to pay for other things, not applying it to the purposes for which Congress directly appropriated it.

Mr. TAWNEY. They did not reimburse the trust fund?

Mr. OWEN. No, sir.

Mr. LITTAUER. The trust fund was five millions of dollars.

Mr. OWEN. Yes. And the Cherokees have been demanding payments thereof from that day to this and have never been able to get it, until finally they got the case into court—

Mr. TAWNEY. What was the necessity for removing these people to the West?

Mr. OWEN. It was a contest between State sovereignty and Federal sovereignty. The State of Georgia refused to recognize the federal treaty with the Cherokees, because the Federal Government had in 1802 stipulated that it would, as soon as practicable, remove all the Indians from within the limits of Georgia. Georgia had made certain landed concessions to the United States to get that promise, and the Cherokees, being somewhat vigorous, established a government within the confines of Georgia with a written constitution, an independent government, and undertook to run a government on the inside of that State, which, of course, was obnoxious to the Georgia authorities, and they demanded the removal of the Cherokees.

But the Cherokees refused to treat with the Government of the United States, and refused to remove or to make a further treaty, so that the Government could not carry out the promise to Georgia to remove these people. Georgia made an issue of the matter and passed severe laws with regard to the Cherokees, making it so embarrassing for them that they brought suit in the Supreme Court of the United States, the case being known as the "Cherokee Nation against Georgia," in which John Marshall, then the Chief Justice of the Supreme Court, held that the court did not have jurisdiction to try that case,

because the Cherokee Nation was not a nation or foreign government within the meaning of the Constitution, but he held in the case of *Worcester v. Georgia* that the laws of Georgia ignoring the Cherokee treaty rights were void and could not be enforced against the Cherokees; that the treaties of the United States with the Cherokees were valid; that the rights of the Cherokees to these lands were sound and ought to be respected.

But that did not accomplish anything because Georgia would not recognize the decisions of the Supreme Court in this matter, and the United States found itself in the painful position of either forcing Georgia by military power, or coercing the Cherokees, and they chose the lesser of the two evils, coercing the Cherokees, and went through the form of making this so-called treaty of 1835, which was in fact, not an exercise of the treaty-making power, but an act of sovereignty, because the treaty itself was fraudulently obtained. Every man who signed it was paid varying sums from \$1,200 to \$2,760. That record was placed before the court. The men who signed that treaty really signed their own death warrant, because the Cherokees executed them. It ought to be said in extenuation of the action of the men who signed it that they had made up their minds that it was impossible for the Cherokees to remain; that it would be utterly ruinous to stay; that they would be crushed and exterminated in a war with Georgia, so that while they were paid large sums of money, over \$30,000, to sign this treaty, they really had also the belief that they were doing the best thing for their own people. Their impulses were patriotic, although they were paid money to sign the treaty.

Mr. TAWNEY. That is the origin of this claim?

Mr. OWEN. Yes, sir.

Mr. TAWNEY. Now, this judgment affirmed by the Supreme Court of the United States is drawing interest at the rate of 15 per cent.

Mr. OWEN. That is the contract under article 11 of the treaty of 1846, and the decision of the United States Senate, acting as umpire, of September 5, 1850.

Mr. TAWNEY. Between the Government—

Mr. OWEN. And the Cherokees.

Mr. TAWNEY. And it has continued to draw that rate of interest until date?

Mr. OWEN. Yes, sir.

Mr. TAWNEY. Under the terms of this judgment of the Court of Claims, thus affirmed by the Supreme Court of the United States, how is this payment to be made, and how soon can it be made?

Mr. OWEN. It is to be made to individuals who are on the rolls of 1851; the per capita roll, made up at that time; and where the individual is dead, to the heirs of his body. It will take probably two years at the least to make this payment if the Government exercises reasonable diligence. If the Government puts it in the hands of a man who draws a good salary, say, \$10,000 a year, for the purpose of making it, and he has no urgency, he probably will be very deliberate and scrutinize with great care these different payments so as to take up a good deal of time. I think that the Interior Department will probably make some special effort, however, on account of its bearing interest to make the payments speedily. I have addressed a letter to them, in which I have set forth the reason for doing this and the

manner in which it can be done speedily and satisfactorily to the Government.

Mr. LITTAUER. Does this interest continue until paid, or until it is ascertained to be proper and right to pay to anyone who proves his right to receive it?

Mr. OWEN. Until paid.

Mr. BRUNDIDGE. Some one made a statement here—I do not recollect just who—that certain parties, either attorneys or somebody else, have been energetically buying assignments of these rights and claims. What do you know about that?

Mr. OWEN. I do not know anything of that. I know that some parties in the Cherokee Nation had a roll of 1851 and were charging the people a fee—\$5 or \$10 fee—for access to this roll and for assisting them to prove descent therefrom. Of course they do not get any ready money out of it, but they were getting proof ready in anticipation of payment.

Mr. LITTAUER. Has the Government any right to pay an assignment?

Mr. OWEN. No; it is forbidden by statute.

Mr. TAWNEY. The fact that the Government of the United States appropriates the money, or pays it, would not, in your judgment, then operate to put an end to the interest on the theory that that was in law a payment; and that the matter of ascertaining who was entitled to the money was an act which should be performed by the beneficiary under this claim; and during that time that party would not be entitled to interest on the amount?

Mr. OWEN. The practice of the Government has been and was in the Western Cherokee case, which was a twin brother to this case, to allow interest up to the time when this money was put in the hands of the disbursing officer; and obviously they must make up a pay roll for specific amounts before this can be done. There will be 65,000 of these individuals, in my opinion.

Mr. LIVINGSTON. What share will the Georgia Cherokees get?

Mr. OWEN. The same as anyone else proving heirship.

Mr. LIVINGSTON. How many are there there?

Mr. OWEN. Probably 3,000 or 4,000.

Mr. LITTAUER. Reverting to this claim of Linn and Powell, their attorneys make this statement to us:

On May 21, 1906, the court announced its decision allowing 15 per cent to the attorneys, to be distributed as they might agree. At that time the petition of Messrs. Linn and Powell was filed and submitted in open court, and a copy served on Mr. R. L. Owen for himself and his associates as attorneys for the Eastern Cherokees. He then told me he would file an answer in a few days denying that Linn and Powell had done any work, but no answer has been filed and no action has been taken by the court upon the petition.

As I understand your statement, while you admitted this petition was offered, no copy of it had been left with the officer of the court.

Mr. OWEN. Yes, sir. A copy was offered in open court and was filed May 21, 1906. The court made its decree on fees May 28, 1906. Mr. Bailey appeared before the court May 21, 1906, and said that he wanted to file this petition, and he handed me a copy of it and I told him that I would answer it, but I found it was not addressed to me; that it confessed that neither Mr. Linn or Mr. Powell were attorneys at law; that they had not appeared in person or by substitute in the

proceedings before the court that had been going on for five full years; that the alleged contract was merely an unauthorized power of attorney, abandoned by them and repudiated by their own principal, I. H. Dick. I concluded it was unnecessary to answer it.

Mr. LITTAUER. An entry had not been made, despite this open tender in court.

Mr. OWEN. It was tendered in open court, although I did not personally hear it. At the time my attention was distracted in connection with some other matters, but Mr. W. H. Robeson makes oath here that Mr. Bailey simply said to the court that he wished to file a petition in the case. It was filed, and after being before the Court of Claims for a week, the court made no allowance to these gentlemen under their alleged contract.

Mr. TAWNEY. He certainly did not actually file it if the record does not show that the petition was filed. If he offered it in open court it would become a matter of record, and the entry would be there.

Mr. OWEN. I looked the petition over, and I did not see any occasion for my replying to it. As to the affidavit of J. H. Dick, he only claimed to have a preliminary power of attorney, and Linn & Powell only claimed to have authority from J. H. Dick, who makes oath that the power of attorney he had was merely preliminary; was never confirmed but was abandoned by him and by Linn & Powell, and that they rendered no service thereunder. I submit his sworn statement to that effect.

Mr. TAWNEY. His sworn statement?

Mr. OWEN. Yes, sir.

Mr. TAWNEY. Do you remember the terms of the act submitting this claim for adjudication?

Mr. OWEN. Yes, sir. The terms of the act were that the Eastern Cherokees should have the status of a band before the Court of Claims; that they should prosecute the suit through attorneys employed by their proper authorities, and that the Court of Claims should fix the fees of the attorneys after the case had been disposed of.

Mr. LITTAUER. Was the entire treaty submitted to the court, including the matter of interest?

Mr. OWEN. Oh yes; the most complete record.

Mr. LITTAUER. Was there any specification of that?

Mr. OWEN. The whole record was submitted, and they found the finding of facts. We first got the matter into the Court of Claims under a resolution of the Senate of the United States on February 20, 1901, under the Bowman Act, for a finding of facts, and a complete record was submitted there. We fought it out and finally, on April 28, 1902, the Court of Claims rendered a decree giving a statement of of facts and sending it back to Congress. Then, on July 1, 1902, Congress passed an act known as the Cherokee allotment act, by section 68 of which the Cherokee Nation and any band thereof was given the right to bring suit for any claim they had against the United States.

It being doubtful as to whether or not the Eastern Cherokees would be regarded by the court as a band, we sought of Congress a declaration that the Eastern Cherokees should have, for the purposes of that act, the status of a band or bands as they might be advised. Congress passed the act we solicited March 3, 1903. There were certain Eastern Cherokees in North Carolina and Georgia yet, as well as in the West, and the Eastern Cherokees in the East were organized in what is known as the "Eastern Band of Cherokees," so that they were given the status

of a band with the right to sue as one or two bands as they might be advised. They sued as one band. It was provided that their attorneys should have their fees fixed by the Court of Claims as above stated. This matter of fees came before the Court of Claims, not recently, but over a year ago, after the Court of Claims had on May 18, 1895, rendered a judgment in favor of the Eastern Cherokees. The petition for fees was filed then, and it was only disposed of after being before the court over a year.

Mr. LIVINGSTON. What did these gentlemen actually do that they should put in this claim?

Mr. OWEN. I don't know. Of course any man who might be friendly to a claim might talk to a Member of Congress about it, and they may have done so, but I did not ask them to do so, nor was it known to the attorneys representing the Eastern Cherokees that these gentlemen were doing anything about it even in this way.

Mr. TAWNEY. I understood you to say that there was some doubt under the act of 1901 whether the Eastern Cherokees were included in the status of a band.

Mr. OWEN. Yes; the act of July 1, 1902, gave the right to the Cherokee Nation or to any band thereof to sue the United States for any claim they had against the Government. It was doubtful whether the court would hold the Eastern Cherokees to be a band. They were in fact an extinct band; they might be called a "late band" under the nomenclature used by the Department. By the act of March 3, 1903, they were given the status of a band or bands, with right to sue as one band or as two bands, as they were advised, as they had two organizations, one in North Carolina and one in Indian Territory. They elected to sue as one band, and sued the United States and the Cherokee Nation, recovering all they claimed under the opinion of the Supreme Court, May, 1906.

The statements submitted by Mr. Owen follow:

STATEMENTS.

J. Henry Dick, of Tahlequah, Ind. T., having been duly sworn, on his oath deposes and says:

It was in 1898, I think, when the Cherokee council failed to act in appointing attorneys to represent the claim of the Eastern Cherokees, that Dave Muskrat and Nick Comingdeer, who had official positions as second captain and treasurer of the Keetoowah Society, gave me a contract of 10 per cent to recover the money due the Eastern Cherokees. I agreed to give Dr. H. C. Linn and Sam Powell half the fee to prosecute the case. It was merely a preliminary agreement and intended to be submitted to the Keetoowah Society. They did not do a thing. The contract was not submitted to the society, but was abandoned. Two years afterwards the Keetoowah officers organized the Eastern Cherokees and the Vaile contract was made, and under it the work was done that secured a recovery. I took active part in the Eastern Cherokee organization, understanding that the Muskrat-Comingdeer contract with me was void.

I claim nothing on this old contract because it was never approved by the society, and nothing was ever done by me, or by Doctor Linn, or by Sam Powell in carrying it out. I approved the organization of the Eastern Cherokees and took part in it. I approve and indorse the Vaile contract and the labor performed under it and ask that the fees due thereunder be paid in full.

J. HENRY DICK.

DISTRICT OF COLUMBIA, 88:

Personally appeared before me J. Henry Dick, to me well known, who having been duly sworn, made oath to the truth of the above statement and signed it in my presence.

Witness my hand and official seal this the 19th day of May A. D., 1906.

[SEAL.]

NETTIE P. MCKNEW, *Notary Public*.

(My commission expires October 28, 1908.)

Frank J. Boudinot, of Tahlequah, Ind. T., having been duly sworn, on his oath, deposes and says:

I am a member of the bar of the Court of Claims and of the Supreme Court of the United States, and I am secretary of the Keetoowah Society, of the Cherokee Nation of the Indian Territory, and I have represented the society as general attorney since 1899. The Keetoowah Society never did at any time make any contract with Dr. H. C. Lynn or Sam Powell, either directly or indirectly, to represent their interests or the interest of the Eastern Cherokees in the recovery of the money due the Eastern Cherokees under the treaties of 1835 and 1846. I took an active part in assisting in the organization of the Eastern Cherokees of Indian Territory, attended all the general conventions and all of the meetings of the permanent council of the Eastern Cherokees. I was a member of the executive committee of the Eastern Cherokees, and have kept in close touch with every step taken in the prosecution of the claim of the Eastern Cherokees before the executive, legislative, and judicial branches of the Government.

I have met Doctor Lynn and Sam Powell frequently during my numerous trips to Washington during the last seven years, spending months at a time in Washington on this very case, and I never knew that either of those gentlemen claimed to have anything to do with this case or to be assisting it in any way. Our attorneys never consulted them; they never tendered any assistance and I am thoroughly satisfied that they rendered no assistance whatever in this case, either before the Departments, before Congress, or in the courts.

FRANK J. BOUDINOT.

DISTRICT OF COLUMBIA, ss:

Personally appeared before me Frank J. Boudinot, to me well known, who, having been duly sworn, made oath to the truth of the above statement and signed it in my presence.

Witness my hand and official seal this the 19th day of May, A. D., 1906.

[SEAL.]

NETTIE P. MCKNEW, *Notary Public*.

(My commission expires October 28, 1908.)

Affidavits.

Robert V. Belt, of Washington, D. C., having been duly sworn, says: I am a member of the bar of the Supreme Court of the United States and was formerly Assistant Commissioner of Indian Affairs. In 1895 I became one of the attorneys of the Eastern Cherokees, under a contract approved by the Secretary of the Interior, for a term of five years, such contract being thereafter renewed by the Eastern Cherokees. I am one of the attorneys of record in the case of the Eastern Cherokees against the United States and the Cherokee Nation, in which judgment was rendered in behalf of the Eastern Cherokees by the Court of Claims and recently affirmed by the Supreme Court of the United States. The pleadings and memorials on behalf of the Eastern Cherokees would make a printed volume of nearly 3,000 pages. During my eleven years of service in this case, actively participating in every feature of it, I never at any time heard that H. C. Linn, esq., or Samuel Powell, esq., represented or claimed to represent the Eastern Cherokees, or that they rendered the slightest service whatever in connection with such case; and further deponent sayeth not.

ROBERT V. BELT.

DISTRICT OF COLUMBIA, ss:

Sworn and subscribed to before me this the 22d day of June, 1906.

[SEAL.]

MARTHA M. BECK,
Notary Public.

Robert L. Owen, of lawful age, having been duly sworn, says: I am a member of the bar of the Supreme Court of the United States, attorney of record of the Eastern Cherokees in the recent suit against the United States in which the Eastern Cherokees recovered judgment. I have been continuously engaged for seven years in the prosecution of this case. The pleadings and memorials in my file make over 2,700 printed pages, a large part of which I prepared in person. I was not aware that Mr. H. C. Linn or Mr. Samuel Powell claimed to be representing the Eastern Cherokees. They never made me any tender of service, nor was I aware of their claim to have

rendered service, or that they had rendered any service until the matter had been entirely disposed of by the Supreme Court. They had opportunity to present their claim for service to the Court of Claims and did not do so. Neither one of these gentlemen are attorneys at law nor did any attorney representing them appear in the case of the Eastern Cherokees against the United States; and further deponent saith not.

ROBT. L. OWEN.

DISTRICT OF COLUMBIA, ss:

Sworn and subscribed to before me on this the 22d day of June, 1906.

[SEAL.]

MARTHA M. BECK,
Notary Public.

William H. Robeson, having been duly sworn, says: I am a member of the bar of the Supreme Court of the United States, and presented the argument for the Eastern Cherokees, both in the Court of Claims and in the Supreme Court. I have been connected with the case as attorney for the Eastern Cherokees for some years. I was never aware that H. C. Linn or Samuel Powell, esq., claimed to have any connection with the case, or that they rendered any service whatever. I am informed that the attorney for these gentlemen advised the Court of Claims that he wished to present a claim for services on the part of these gentlemen, but he did not present it, although he had opportunity to do so, and was not present when the court gave the hearing and never made any formal application therefor.

And further deponent sayeth not.

WILLIAM H. ROBESON.

DISTRICT OF COLUMBIA, ss:

Sworn and subscribed to before me this the 22d day of June, 1906.

[SEAL.]

MARTHA M. BECK, *Notary Public.*

COURT OF CLAIMS.

The Cherokee Nation, No. 23199.

The Eastern Cherokees, No. 23214.

The Eastern and Emigrant Cherokees, No. 23212.

I hereby certify that the foregoing is a true copy of the docket entries of May 21, 1906, and of May 28, 1906, which appear of record in the above-entitled cases:

May 21, 1906.—Petition for fees of H. C. Linn et al. filed. Handed judges. Copy and notice to defendants.

May 28, 1906.—See journal of this date (p. 105, 106, and 107) for decree fixing fees of attorneys in cases 23199, 23214, and 23212. Original of said decree filed.

In testimony whereof I have hereunto set my hand and affixed the seal of said court at Washington, this 22d day of June, A. D. 1906.

[SEAL.]

ARCHIBALD HOPKINS,
Chief Clerk Court of Claims.

CONTINGENT EXPENSES, WAR DEPARTMENT.

TELEPHONE SERVICE.

WAR DEPARTMENT,
Washington, June 21, 1906.

SIR: In connection with the matter under consideration by your committee of an appropriation to supply a deficiency which was incurred by this Department during the fiscal year 1904, by reason of which we were unable to pay the claim of the Chesapeake and Potomac Telephone Company for service rendered during that year, I have the honor to state that the Department had a contract with this company for the fiscal year 1901, for an unmeasured service which involved the

installation of trunk lines, a switch board, telephone stations and exterior lines.

The company in presenting their accounts under this contract stated that—

These bills are made out at the rates named in the act of Congress approved June 30, 1898, but inasmuch as this company does not recognize the validity of said act, the rates named therein being inadequate even to meet the actual expense of furnishing the service, and inasmuch also as the question of its validity is now in litigation, the company can only accept payment for said service at the rates named in said act under protest and with the distinct understanding that such payment is not accepted in full for the service rendered, and that if said law is finally held to be invalid by the courts, payment shall be made of the difference between the amounts named in the bills herewith inclosed and the rates provided for in the arrangement for telephone service heretofore made between your office and this company.

The act of Congress approved June 30, 1898, above referred to, provided:

That from and after the passage of this act it shall be unlawful for any person or any telephone company doing business in the District of Columbia to charge or receive more than fifty dollars per annum for the use of a telephone on a separate wire; forty dollars for each telephone, there being not more than two on a wire; thirty dollars for each telephone, there being not more than three on a wire, and twenty-five dollars for each telephone, there being four or more on the same wire.

Certain bills thus presented were approved by the War Department, but disallowed by the Auditor under the Comptroller's construction of the act of June 30, 1898, in his decisions of October 14, 1898 (5 Comp., 153), and December 27, 1898 (5 Comp., 343). From this action the telephone company appealed to the Comptroller of the Treasury for revision.

In his decision published in 9 Comptroller, 319, the whole subject is discussed very elaborately. He held, in substance, that the War Department contract was invalid; that for some of the items no charge could legally be made and that for others a higher charge was proper than that fixed by the contract.

From the date of the Comptroller's decision the War Department had no contract with the telephone company until March 3, 1905, when a contract was made under which we are operating now, which is for a limited or measured service and was believed by the Assistant Secretary, who authorized it, to be more economical for the Government than any previous arrangement. After the Comptroller's decision of January 8, 1903, and prior to the making of this contract, the Department bought its telephone service in open market from the telephone company at the rates fixed by the act of June 30, 1898, as construed by the decisions of the Comptroller above referred to and subsequent decisions.

The present deficiency for the telephone bills for the fiscal year 1904 arose as follows:

The telephone company were very slow in rendering bills for their quarterly accounts, and when rendered they were not made out to conform to the requirements of the Department and of the Comptroller of the Treasury in the matter of the rendition of accounts. Items were sometimes inserted that did not belong in the bills. These facts necessitated the return of the bills and further delay ensued. In addition, dispute arose as to the propriety of certain mileage charges for exterior lines. In the delay pending the settlement of these differences

between the Department and the telephone company, as to the correctness of the accounts rendered, the legitimate demands of the Department for other expenditures from the appropriation for "Contingent expenses, War Department, 1904," consumed all of the appropriation but some \$500, and when the accounts were finally adjusted there was not sufficient balance of the appropriation to pay the bills; hence this deficiency.

The bills as rendered by the company amounted to \$5,320.77, but they consented to accept under protest (reserving their rights as to the balance, \$2,140.67) \$3,180.10, being the amount approved by the Department as correct for the service rendered under the decisions of the Auditor and the Comptroller, based upon the act of June 30, 1898.

The amount of the deficiency estimate as submitted is \$2,621.52. This amount added to \$558.58, the unexpended balance of the appropriation "Contingent expenses, War Department, 1904," covered back into the Treasury (which amount will be available until June 30, 1906), will make \$3,180.10, which is the amount believed by the War Department to be justly due the telephone company for the service rendered by them. Inasmuch, however, as the balance of \$558.58 will not be available after June 30, 1906, when it will be covered into the surplus fund, it is suggested that a deficiency appropriation should be made for the full amount, \$3,180.10.

If this appropriation is made the account will be settled by the Auditor for the War Department, at whose hands it will undoubtedly receive full and careful scrutiny, under and in the light of the act of Congress approved June 30, 1898, and the decisions of the Comptroller bearing thereon.

As requested, I transmit herewith copy of the letter of the Secretary of Commerce and Labor dated June 9, 1906, on the subject of an interdepartmental telephone service, and also a copy of the proposal of the telephone company for telephone service for the fiscal year ending June 30, 1907. The installation of the service referred to in the letter of Secretary Metcalf has been approved by this Department.

Very respectfully,

WM. H. TAFT,
Secretary of War.

HON. LUCIUS N. LITTAUER,
*Chairman of Subcommittee of
Committee on Appropriations,
House of Representatives.*

DEPARTMENT OF COMMERCE AND LABOR,
OFFICE OF THE SECRETARY,
Washington, June 9, 1906.

SIR: Following the report of the Committee on Department Methods on the subject of "interdepartmental telephone service," which was approved by the President and by him ordered to be carried into effect, I was requested by the President to take charge of the matter of arranging for the installation of the service as outlined therein.

The plan recommended by the committee contemplates the discontinuance of all tie lines at present in use, with the exception of those connected with the White House, and in lieu thereof the establishment of a flexible interdepartmental system of unlimited service by mutually connecting most of the private branch exchanges now maintained in the various Departments with a central switchboard.

As a result of several conferences I have had with the officers of the Chesapeake and Potomac Telephone Company, with a view to carrying into effect the plan recommended, the company has submitted a written proposition. This proposition substantially conforms to the plan recommended by the committee, except that the recommendation for the establishment of a central switch board to be operated by one of the Departments has been modified. In lieu thereof the telephone company proposes to set aside a portion of its multiple switch board at its main exchange for the exclusive use of the Government's interdepartmental lines and to operate the same without charge. This plan, without affecting the present telephone service or equipment other than as stated regarding tie lines, will secure to the Government a lower rate for mileage charges, a uniform rate for charges for the installation and rental of various kinds of telephone equipment, and improved service at a reduced cost.

In order that the plan proposed may be put into successful operation, it is essential that all of the Departments and offices of the Government named in the report of the committee enter into the proposed uniform contract.

For your further information I inclose herewith a copy of the telephone company's proposition, together with a copy of the report of the committee on Department methods on the subject of "interdepartmental telephone service." A representative of the telephone company will call on you within a day or two, for the purpose of closing up the matter with your Department.

As there remains only a brief period before the beginning of the new fiscal year in which to install and equip the interdepartmental lines, it is important that the matter be finally disposed of as soon as practicable.

Very respectfully,

(Signed)

V. H. METCALF, *Secretary.*

The honorable the SECRETARY OF WAR.

CONTRACT FOR TELEPHONE SERVICE.

PROPOSAL OF THE CHESAPEAKE AND POTOMAC TELEPHONE COMPANY.

The Chesapeake and Potomac Telephone Company (hereinafter styled the "Company") submits the following proposal covering telephone service to be furnished to all, any, or either of the Departments or other offices or establishments of the Government in the District of Columbia for a term of one year, beginning July 1, 1906, and ending June 30, 1907:

1. The company will install, equip, maintain, and keep in repair common battery, private branch exchange switch boards, including the necessary operators' sets of telephones, at an annual rental of twenty-four dollars (\$24) each; trunk lines connecting such switch boards with the public exchange of the company, wired to such switch boards, at an annual rental of twenty-four dollars (\$24) each; interior telephone stations connected to such private branch switch boards at an annual rental of six dollars (\$6) each; mileage for stations connected with switch boards (not located in buildings containing switch boards) and for any other tie lines that may be installed, and connected with the private branch exchange switch boards, at the rate of four dollars and fifty cents (\$4.50) per annum per one-eighth mile, or fraction thereof, the distance to be measured along the nearest street route; telephone booths at an annual rental of twelve dollars (\$12) each; auxiliary bells, at an annual rental of three dollars (\$3) each; outgoing completed local messages sent over trunk lines connecting the private exchange switch boards with the company's public exchange switch board, two and one-half cents (\$0.02½) each.

2. The company will install, equip, maintain, and keep in repair all connecting lines, specified for interdepartmental service, to be used exclusively by the Government, at the rate of four dollars and fifty cents (\$4.50) per annum, per one-eighth mile, or fraction thereof, the distance to be measured along the nearest street route. All lines required will be installed and in good working order on or before July 1, 1906. The company will set aside a portion of its multiple switch board equipment, at its main exchange, for such interdepartmental lines. Efficient operators will be employed by the company for these lines, and first-class service will be furnished at all hours of the day and night. The company will make no charge for the interdepartmental switch board, nor for its operation.

3. Each Department or other establishment of the Government, party to the interdepartmental system, shall pay for its own mileage for the lines connecting with the interdepartmental switch board, and shall also pay its proportionate share of the cost

of eight lines connecting said switchboard with the Capitol building, amounting to *twenty-three & 48/100 dollars*. All lines connecting the interdepartmental switch board with the Capitol building are to be used only for outgoing messages to the Capitol.

4. The company will furnish unlimited residence service, on direct lines, sixty dollars (\$60) each per annum; on two-party lines, forty-eight dollars (\$48) per annum.

5. All calls for points outside the District of Columbia, originating at the stations connected with the Government switch boards or at the residence stations, will be charged for at the company's established rates.

6. The telephones provided for herein will be moved by the company when directed, without charge, from one position to another in the same building in which they are located.

The tie lines at present in use by the Departments and other Government establishments in the District of Columbia, parties to the interdepartmental system, with the exception of those connected with the White House, will be discontinued at the end of the present fiscal year. The cost of maintaining the tie lines at the White House, at the mileage rate herein stated, is to be shared equally by the White House and the various Departments and Government establishments connected by the same.

All payments are to be made at the end of each quarter during the period hereinbefore specified.

The Department or establishment of the Government accepting the rates and terms herein stated is requested to furnish the company, at the time of acceptance, a memorandum containing a list of the various kinds of equipment and lines desired to be installed before the beginning of the fiscal year, July first, nineteen hundred and six, and the places where they are to be located, the memorandum, upon the acceptance of this proposal, to form a part of the agreement.

Should additional service or equipment be required by any of the Departments or establishments of the Government accepting this proposal, during the period herein specified, such additional service or equipment will be furnished at the rates named herein. Should any of the Departments or other establishments of the Government discontinue the use of any equipment or service, a like reduction will be made from the date such equipment is discontinued, provided the company is given not less than ten days' notice of the purpose to discontinue.

Signed this 6th day of June, 1906.

The CHESAPEAKE AND POTOMAC TELEPHONE COMPANY,
By B. W. TRAFFORD.

Witnesses:

J. C. PARSONS.
A. P. CRENSHAW.

ACCEPTANCE BY

(Here insert name of Department or establishment.)

The rates and terms stated in the above proposal are accepted on behalf of the ———, and the company is hereby advised that the said ——— at this time requires telephone service as specified in the memorandum attached hereto and which forms a part of this agreement.

_____,
Secretary.

Date of acceptance,

REFUND TO CITIZENS OF CEBU, P. I.

WAR DEPARTMENT,
Washington, June 21, 1906.

My DEAR MR. LITTAUER: With reference to the estimate for a deficiency appropriation of \$8,836.31 for return to the proper owners of certain funds taken from certain citizens of the Island of Cebu, Philippine Islands, and through misunderstanding deposited in the Treasury of the United States as "Miscellaneous receipts," I beg to suggest that further consideration of this item in connection with the present deficiency bill be postponed until I can get further report from Major Glenn, by whom these funds were seized.

Very truly, yours,

WM. H. TAFT,
Secretary of War.

Hon. LUCIUS N. LITTAUER,

*Chairman Subcommittee on the General Deficiency bill,
Committee on Appropriations, House of Representatives.*

INDEX.

	Page.
Acting Attorney-General.....	65
Agricultural Department:	
Contingent expenses.....	88
Experiment station, Hawaii.....	92
Library claim.....	89
Laboratory claim.....	90
Allen, James.....	36, 44
Ann Francis, Chippewa Indian woman.....	75
Appraisers' warehouse, San Francisco.....	11
Aqueduct, Washington.....	15
Armament and armor of domestic manufacture.....	63
Assistant attorneys in special cases.....	64
Attorney-General.....	64
Belt, Robert V.....	122
Belknap, William W.....	103
Biddle, John.....	14
Bigelow, Willard D.....	88
Bond, Frank.....	68
Boudinot, Frank J.....	122
Board of Children's Guardians.....	19
Burleson, Albert S.....	98
Bureau of Corporations, reappropriation of unexpended balance.....	96
California Débris Commission.....	22
Carlisle Indian School, transportation of pupils.....	74
Cebu, P. I., return of funds to citizens of.....	40, 127
Chief of Engineers.....	22
Chief clerk, Navy Department.....	48
Chief clerk, Post-Office Department.....	78
Chance, Merritt O.....	78
Cherokee Indian judgment.....	114
Commissioners of the District of Columbia.....	14
Compensation of jurors.....	17
Convicts, support of.....	18
Coroner's office, District of Columbia.....	14
Corporation counsel's office, rent.....	14
Cortelyou, George B.....	81
De Graw, P. V.....	78
Department of Commerce and Labor:	
Bureau of Corporations.....	96
Interdepartmental telephone service.....	125
Light-House Establishment.....	93
Denny, Frank L.....	48, 61
District of Columbia:	
Board of Children's Guardians.....	19
Coroner's office.....	14
Fire department, forage.....	15
Health department.....	16
Industrial Home School.....	21
Isolating wards, Garfield Hospital.....	16
Police court, jurors.....	17
Recording tax sales.....	22
Rent of offices of corporation counsel.....	14
Washington Aqueduct.....	15
Washington Asylum.....	18
Watson defalcation.....	20
Dick, J. Henry.....	121

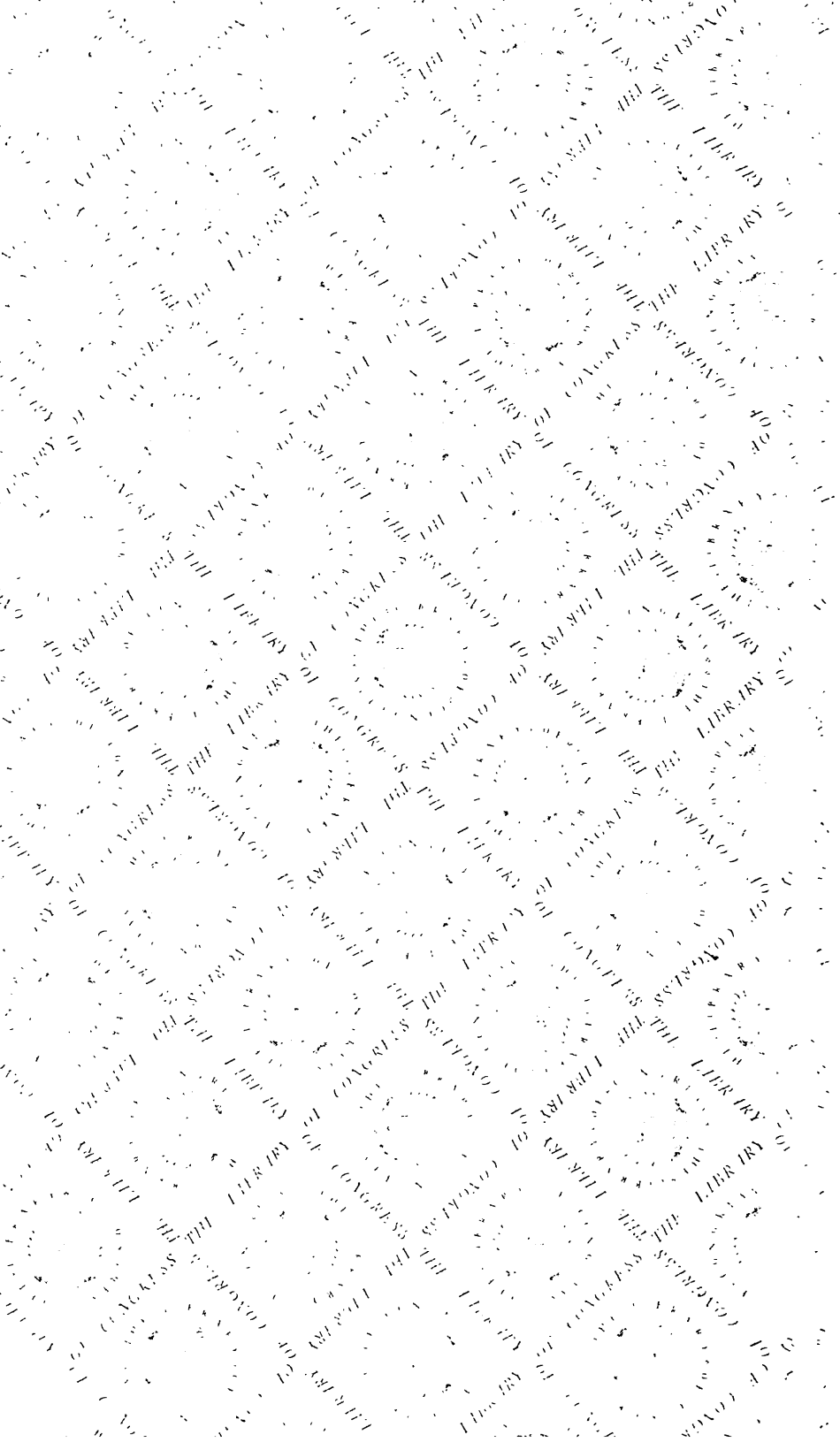
	Page
Dodge, Francis S	24, 44
Eastern Cherokees	114
Evans, Walter H	88
Fire department, District of Columbia	15
Five Civilized Tribes	75
Foreign mails, transportation of	86
Garfield Hospital	16
General Land Office:	
Official plats, United States surveys, San Francisco	68
Payments to United States deputy surveyors	70
Greene and Gaynor case	64
Harris, W. T	68
Havard, V	39, 43
Health department, District of Columbia	16
Hoyt, H. M	65
Humphrey, Charles F	25, 34, 36, 42
Increase of the Navy	63
Indian affairs:	
Ann Francis, Chippewa Indian woman	75
Five Civilized Tribes	75
Transportation of pupils, Carlisle Indian School	74
Transportation of Indian goods, provisions, and supplies	72
Industrial Home School	21
Inland mail transportation by star routes	82
Interior Department:	
General Land Office	68
Indian Affairs	72
Reindeer for Alaska	68
Jackson, Sheldon	65
Jail at Nushagak, Alaska	65
Jurors, compensation of	17
Knox, Herbert	96
Light-House Establishment:	
Bonita Point light station	95
Cape Mendocino light station	93
Point Arena light station	94, 95
Point Pinos light station	96
Repairs, 1907	95
Southampton Shoal light station	95
Lockwood, Daniel W	93
McConihe, W. W	72
McCulloch, H	106
Mackenzie, Alexander	22
Macey, James T	68
Marine Corps	57
Mason, R. E	48
Military establishment:	
Barracks and quarters	26, 29
Barracks and clothing	29
Chief Signal Officer	36
Clothing and camp equipage	26, 28
Contingent expenses	44
Hospitals	31
Incidental expenses	26, 28
Loss in Seattle fire	30
Medical supplies, special estimate	37
Mileage of officers	24
Quartermaster-General	25
Regular supplies, Quartermaster's Department	26
Replacing military stores, San Francisco	25
Statement of supplies of lost	33
Signal office	36
Surgeon-General's office	37
Subsistence	46
Telephone service	44
Transportation	26, 29
Military stores, replacing same at San Francisco	25

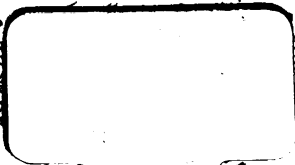
	Page.
Moody, W. H.	64
Mooney, W. M.	78
Naval establishment:	
Bureau of Ordnance	62
Bureau of Yards and Docks	62
Contingent, Ordnance Bureau	49
Contingent expenses, Marine Corps	59
General account of advances	48
Increase of the Navy	63
Marine Corps	57
Mileage and traveling expenses	54
Pay, miscellaneous	54
Rent of barracks, Marine Corps	61
Stores destroyed at San Francisco, Cal.	59
Newcomb, James P.	101, 102
Oakland, Cal., public building	12
Owen, Robert L.	114, 123
Peters, B. F.	48
Post-Office Department:	
Laborers and charwomen, Auditor's office, Post-Office Department	80
Postal revenues, appropriations paid out of	81
Rent of building for supplies and mail-lock repair shop	78
Steel file boxes and cases for the division of appointments	79
Postal revenues, appropriations paid from:	
Canceling stamps for rural letter carriers	87
Inland mail transportation by star routes	82
Per diem allowance, assistant superintendents, railway mail service	86
Reimbursement of postmaster in Alaska	87
Regulation screen or other wagon service	85
Reimbursement of postmasters at Tonopah and Goldfield, Nev	87
Stationery for postal service	81
Transportation of foreign mails	86
Transportation of mails by steamboat and railroad routes	83
Police court, District of Columbia:	
Compensation of jurors	17
Repairs to building	18
Support of convicts	18
Postmaster-General	81
Printing and stationery division, Treasury	3
Public buildings at:	
Oakland, Cal.	12
San Jose, Cal.	12
San Francisco, Cal.	7, 9, 10, 11
Public buildings on Pacific coast	7
Revenue-Cutter Service	5
Reimbursement of shortages in accounts, Watson defalcation	20
Reindeer for Alaska	65
Refund to citizens of Cebu, P. I.	127
Richards, George	48
Robeson, William H.	123
Ross, Worth G.	5
San Francisco appraisers warehouse	11
San Francisco, Cal., subtreasury	10
San Francisco mint building	9
San Francisco, Cal., post-office and court-house	7
San Francisco relief fund	41, 45
San Jose, Cal., public building	12
Seattle fire, loss of stores in	30
Sebree, Uriel	93
Secretary of War	33, 40, 42, 125
Sharpe, Henry G.	43, 46
Shunk, Alonzo W.	98
Simmons, George	3
Smith, William M.	48
Stone, George F.	78
Stores destroyed at San Francisco	5
Steamboat and railroad transportation of mails	83

	Page.
Subtreasury at San Francisco.....	10
Subsistence of the Army.....	46
Supplies lost by earthquake.....	33
Surveyors, United States deputy.....	70
Surgeon-General, office of.....	37
Taft, William H.....	33, 40, 42, 125
Taylor, J. K.....	7
Texas claim.....	98
Thorp, E. H.....	78
Treasury Department:	
Public buildings.....	7
Revenue-Cutter Service.....	5
Supervising Architect.....	7
Stationery.....	3
Transportation of Indian goods.....	72
Washington Aqueduct.....	15
Washington Asylum.....	18
War Department:	
California Débris Commission.....	22
Chief of Engineers.....	22
Contingent expenses.....	123
Ward, George.....	72
Watson defalcation.....	20
Waters, Charles M.....	78
West, Henry L.....	14, 22
Zappone, A.....	88

O

614





LIBRARY OF CONGRESS



0 018 700 614 4